ASSOCIATION OF UNIVERSITY AND COLLEGE BUSINESS OFFICERS

THE FOURTEENTH ANNUAL MEETING

UNIVERSITY OF FLORIDA
APR 1 1967
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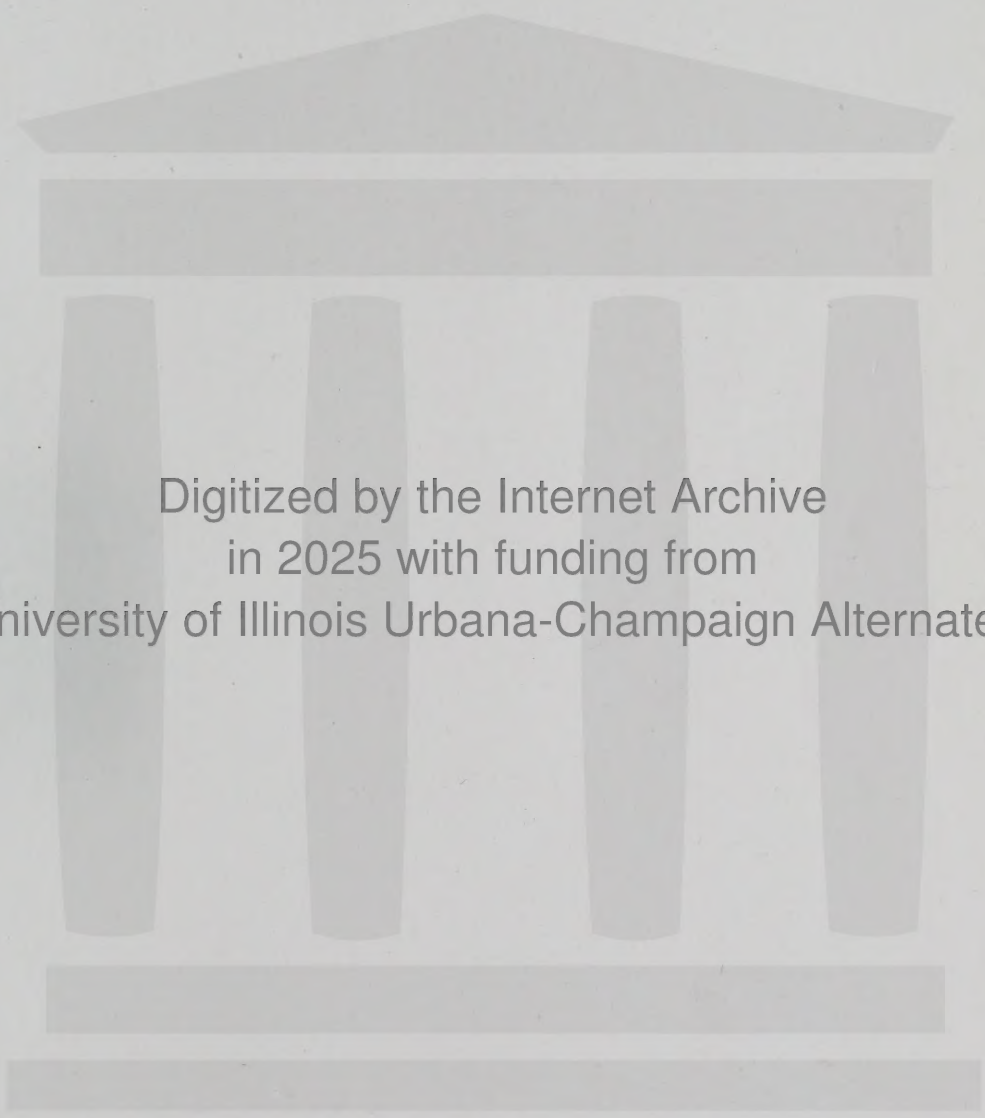
Held at
University of Wisconsin
Madison
May 16-17
1924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ASSOCIATION OF UNIVERSITY AND COLLEGE BUSINESS OFFICERS AND PURCHASING AGENTS
Held at the UNIVERSITY of WISCONSIN — MADISON — MAY 16 and 17 1924 —
PHOTOART

	Name	Institution	Office
1.	Lew T Skinner	South Dakota State College	Sec'y.& Pur.Agent
2.	L F Seaton	University of Nebraska	Oper.Supt.&Pur.Agt.
3.	W T Middlebrook	Purdue University	Controller
4.	J D Phillips	University of Wisconsin	Business Manager
5.	Albert J Lobb	University of Minnesota	Comptroller & Sec'y Board of Regents
6.	C H Pratt	University of Illinois	Auditor
7.	Chas. A Kuntz	Ohio State University	Comptroller
8.	E O Fuller	University of Wyoming	Fiscal Agent
9.	Fay E Smith	University of Wyoming	Sec'y.Bd.Trustees
10.	W H Cobb	University of Iowa	Auditor
11.	F L Turby	Drake Univ.,Des Moines,Ia.	Auditor
12.	L E Gunderson	University of Nebraska	Bursar & Fin.Sec'y.
13.	C W Vaughn	University of Wisconsin	Accountant
14.	F E Humeston	University of Iowa	Mgr.Stores & Sup.
15.	Robert E Neff	Indiana University	Admin.of Hospital & Med. School
16.	F E Jones	Ohio State University	Stores Director
17.	Shirley W Smith	University of Michigan	Secretary
18.	J C Christensen	University of Michigan	Asst. Secretary
19.	W H Bates	State University of Iowa	Secretary
20.	G P Bowdish	Iowa State College	Purchasing Agent
21.	H M Schmelzer	University of Wisconsin	Chief Clerk
22.	D H Peak	University of Kentucky	Business Agent
23.	C W McClintock	Ohio State University	Storekeeper
24.	T D Stanford	University of Missouri	Asst.Business Mgr.
25.	J G Gudmundsen	N.Y.S.College of Agr.	Chief Clerk
26.	Wm. H Browne	University of Illinois	Sec'y.Col.of Med. & Bus.Mgr.Chicago Departments
27.	Edward E Brown	University of Missouri	Business Manager
28.	Thomas Hull	Utah University	Sec'y.& Pur.Agent
29.	T C Carlson	University of Arkansas	Business Manager
30.	Karl Klooz	University of Kansas	Chief Clerk
31.	J B H Martin	Indiana University	Asst. Bursar
32.	R M Royer	Ohio State University	Purchasing Agent
33.	J B Speer	State Univ.of Montana	Business Manager
34.	C E Griswold	University of Minnesota	Asst. Comptroller
35.	George S Frank	Cornell University	Mgr.of Purchases
36.	M E McCaffrey	University of Wisconsin	Secretary
37.	Herman Knapp	Iowa State College	Business Manager
38.	J E Millizin	University of Illinois	Asst.Pur.Agent
39.	T E Blackwell,Jr.	The Principia Junior College, St. Louis	Business Manager
40.	F X Ritger	University of Wisconsin	Purchasing Agent
41.	Horace S Ford	Mass.Institute of Technology	Buraar
42.	H C Mahin	Purdue University	Purchasing Agent

M I N U T E S

OF THE

FOURTEENTH ANNUAL MEETING

OF THE

ASSOCIATION OF UNIVERSITY AND COLLEGE BUSINESS OFFICERS

HELD AT

UNIVERSITY OF WISCONSIN

MADISON, WISCONSIN

MAY 16 and 17, 1924

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MADISON, WISCONSIN

MAY 16 and 17, 1924

- - - - -

The Annual Meeting of the Association was called to order by President Lobb at 9:30 o'clock A. M at Room No. 410 Sterling Hall.

President E. A. Burge of the University of Wisconsin welcomed the members of the Association as visitors to the University of Wisconsin.

The roll call followed showing the following members present at sessions of the Association:

Name	Institution	Office
George S. Frank	Cornell University	Manager of Purchases
F. L. Turby	Drake University	Auditor
>U. H. Smith	Indiana University	Bursar
Robert E. Neff	Indiana University	Administration of Hospital and Medical school
J.B.H. Martin	Indiana University	Assistant Bursar
>Herman Knapp	Iowa State College	Business Manager
G. P. Bowdish	Iowa State College	Purchasing Agent
Horace S. Ford	Massachusetts Institute Technology	Bursar
Theo M. Johnson	New York University	Supervisor of Purchases
J.G. Gudmundsen	New York State College of Agri.	Chief Clerk
>Chas. A Kuntz	Ohio State University	Comptroller
R. M. Royer	Ohio State University	Purchasing Agent
C.W. McClintock	Ohio State University	Storekeeper
F. E. Jones	Ohio State University	Director Stores & Receiving Dept.
>W. T. Middlebrook	Purdue University	Business Manager

Name	Institution	Office
H. C. Mahin	Purdue University	Purchasing Agent
W. H. Bates	State University of Iowa	Secretary
W. H.Cobb	State University of Iowa	Auditor
F. E.Humeston	State University of Iowa	Mgr. Stores & Supplies
J. B. Speer	State University of Montana	Business Manager
Lew T. Skinner	South Dakota State College	Secy & Purchasing Agent
T. E. Blackwell	The Principia Junior College	Jr. Business Mgr.
T. C. Carlson	University of Arkansas	Business Manager
Arch I. Carson, Jr.	University of Cincinnati	Purchasing Agent
C. H. Pratt	University of Illinois	Auditor
Wm. H. Browne	University of Illinois	Secretary College of Medicine and Business, Manager of Chicago Departments.
J. E. Millizin	University of Illinois	Assistant Purchasing Agent.
Karl Kloos	University of Kansas	Chief Clerk
D. H. Peak	University of Kentucky	Business Agent
Shirley W. Smith	University of Michigan	Secretary
J. C. Christensen	University of Michigan	Assistant Secretary
Edward E. Brown	University of Missouri	Business Manager
A. J. Lobb	University of Minnesota	Comptroller, Secy. Board of Regents
C. E. Griswold	University of Minnesota	Asst. Comptroller
L. E. Gunderson	University of Nebraska	Bursar and Finance Secy.
L. F. Seaton	University of Nebraska	Operating Supt. and Purchasing Agent.
J. D. Phillips	University of Wisconsin	Business Manager
M. E. McCaffrey	University of Wisconsin	Secretary
H. M. Schmelzer	University of Wisconsin	Chief Clerk
A. F. Gallistel	University of Wisconsin	Supt of Buildings and Grounds.
F. X. Ritger	University of Wisconsin	Purchasing Agent
A. S. Johnson	University of Wisconsin	Comptroller
D. L. Halverson	University of Wisconsin	Acting Director Halls and Committees
C. W. Vaughn	University of Wisconsin	Accountant
Fay E. Smith	University of Wyoming	Secretary Board of Trustees
E. O. Fuller	University of Wyoming	Fiscal Agent
Thomas Hull	Utah University	Secretary and Purchasing Agent
May E. Dennis	Washington University	Manager of Bookstore
T.B. Stanford	University of Missouri	Assistant Business Manager

The following new members were presented and, on motion, made members of the Association:

Name	Institution	Office
F. L. Turby	Drake University	Auditor
W. T. Middlebrock	Purdue University	Business Manager
H. C. Mahin	Purdue University	Purchasing Agent
W. H. Cobb	State University of Iowa	Auditor
J. B. Speer	State University of Montana	Business Manager
Lew. T. Skinner	South Dakota State College	Secretary and Purchasing Agent
T. E. Blackwell, Jr.	The Principia Junior College	Business Manager
C. H. Pratt	University of Illinois	Auditor
J. E. Millizin	University of Illinois	Assistant Purchasing Agent.
T. D. Stanford	University of Missouri	Assistant Business Manager
Thomas Hull	Utah University	Secretary and Purchasing Agent

The following members of the Association of University and College Business Officers of Eastern States:

Name	Institution	Office
George S. Frank	Cornell University	Manager of Purchases
Horace S. Ford	Massachusetts Institute of Technology	Bursar
Theo. M. Johnson	New York University	Supervisor of Purchases
J. G. Gudmundsen	New York State College of Agriculture	Chief Clerk

President Lobb appointed the following committees:

Resolutions Committee

F. O. Fuller	University of Wyoming
S. W. Smith	University of Michigan
L. E. Gunderson	University of Nebraska

Nominating Committee

U. H. Smith	Indiana University
R. M. Royer	Ohio State University
J. C. Christensen	University of Michigan

followed by Mr. H. C. Ford, Massachusetts Institute of Technology, and D. H. Peak, of the University of Kentucky. (3)

Meeting adjourned for luncheon at Lathrop Hall .

FRIDAY, P. M.

Mr. U. H. Smith, Indiana University, Presented a report showing a schedule of fees for the various Universities for 1923-24. (4)

This was followed by a roll call and discussion on probable changes in tuitions and fees for 1924-25.

At 3:00 P. M. thru the courtesy of the officials of the University of Wisconsin, visitors were given a trip covering the University Campus and the City of Madison.

Dinner at 6:30 P. M. was at the Madison Club which was followed by the evening session.

Under the head of Round Table Discussions, Mr. W. H. Cobb, State University of Iowa, presented the subject, "Job Order Transactions." (5)

This was followed by comments by Mr. C. H. Pratt, (6) University of Illinois, and a general discussion of the subject.

Mr. F. X. Ritger, University of Wisconsin, presented a paper on "Store Department in Relation to University Service." (7)

Mr. F. E. Humeston, State University of Iowa, followed with a presentation of a "System of Accounting for Stores." (8)

Adjournment until 9:00 o'clock Saturday morning.

SATURDAY, A. M.

May 17

Meeting called to order at 9:00 o'clock A. M. at Room 410, Sterling Hall.

Mr. John C. Dinsmore, University of Chicago, was to have presented a paper on "The Purchasing Office and its Service to the University," but was unable to be present and the subject was handled by Mr. F. X. Ritger of the University of Wisconsin.

This was followed by discussion and remarks by Mr. L. F. Seaton of the University of Nebraska. (9)

The Committee on Instructional Cost Accounting reported as follows:

ASSOCIATION OF UNIVERSITY AND COLLEGE BUSINESS OFFICERS

REPORT OF STANDING COMMITTEE ON INSTRUCTIONAL COST ACCOUNTING

This Committee was formed at the meeting one year ago, with the following functions:

(a) Secure and maintain on file all possible information relating to this subject;

(b) Keep in close touch with all efforts along this line by institutions and others;

(c) Be ready to provide information and suggestions to any institutions, particularly those represented in this Association, concerning this subject;

(d) Stand ready to make recommendations as to procedure in the event of any cooperative undertaking along this line.

Activities along the line of analysis of instructional expense which have come to the attention of the Committee during the past year were as follows:

(1) A considerable number of inquiries for figures of per capita expense indicating a certain interest in the subject;

(2) The publication by the University of Illinois of per capita and other unit expense figures compiled in accordance with the procedure reported at the meeting of this Association a year ago. This material will be found in the President's Report, University of Illinois, 1922-23, a copy of which has been sent to the presidents' offices of all universities and colleges;

(3) The announcement of a comparative unit cost study of several institutions by the Educational Finance Inquiry under the direction of Mr. E. B. Stevens. The results of this study will be published by the Macmillan Company as Volume XIII of the Publications of the Educational Finance Inquiry;

(4) A survey made by Northwestern University including studies in instructional cost;

(5) A report on unit expense of instruction made by W. O Miller, Comptroller, University of Pennsylvania;

(6) So far as we have been able to determine no comprehensive work has been done on this subject at any institution represented in this Association except at the University of Illinois. If other institutions are doing work on the matter the Committee would appreciate information.

The Committee has little to suggest on the subject except to renew caution as to the danger imminent from promiscuous use of unit expense figures in a comparative way. When unit expense figures are quoted they should be so qualified as to indicate accurately just what they represent. The Chairman believes that he expresses the judgment of all of the members of the Committee in saying that the values arising from studies in unit costs of instruction are likely to be far greater for internal administrative purposes than they are for public or comparative purposes.

Respectfully submitted,

Lloyd Morey, Chairman
J. C. Christensen
W. H. Bates
A. J. Lobb
C. E. Steeb
N. C. Plimpton

May 13, 1924

On motion, the report of the Committee was adopted.

The Committee on Nomination of Officers reported as follows:

President - J. D. Phillips, University of Wisconsin

Vice-President - E. E. Brown, University of Missouri

Secretary-Treasurer - W. H. Bates, State University of Iowa.

On motion, the report of the committee was adopted and the officers elected.

The Committee on Resolutions reported as follows:
RESOLVED: that this Association extend its thanks to the President and Business Officers of the University of Wisconsin, and expecially to Messrs J. D. Phillips and M. E. McCaffrey for the uniform courtesy extended at this meeting to this Association and its individual members.
It is further resolved; that we hereby express our appreciation to the members on the program who have spent their time and efforts to give us such excellent papers and discussions.
It is further resolved; that we also wish to send our compliments to the Eastern Association of Business Officers and have them know that we appreciate their hearty co-operation in solving our mutual problems and that they should be informed that they have a standing invitation to attend the meetings of this association and we are always pleased to receive the invitations to attend their meetings.

E. O. Fuller, Chairman
Shirley Smith
L. E. Gunderson.

Mr. L. F. Seaton, University of Nebraska, invited the Association to hold its next meeting at Lincoln, Nebraska.

Mr. E. E. Brown, University of Missouri, extended an invitation to meet at Columbia, Missouri.

On motion, the selection of time and place of meeting was referred to the Executive Committee.

Meeting adjourned.

Luncheon followed at Lathrop Hall.

A. J. Lobb,
President

W. H. Bates,
Secretary-Treasurer

COMPARATIVE FEE SCHEDULE

1923-24

	Arts and Sciences		Commerce and Business Administration		Law		Medicine		Engineering		Dentistry		Pharmacy		Agriculture		Free Scholarships in Use		Matriculation	Diplomas	Health	Athletic	Other
	Res.	Non Res.	Res.	Non Res.	Res.	Non Res.	Res.	Non Res.	Res.	Non Res.	Res.	Non Res.	Res.	Non Res.	Res.	Non Res.	No.	Amount					
[illegible]		[illegible]					60.00	90.00		50.00						60.00	20	[illegible]	[illegible]	[illegible]	[illegible]	(1) 5.00	
[illegible]	[illegible]	[illegible]					[illegible]	[illegible]										25 [illegible] (2) 10.00	[illegible]	[illegible]			
[illegible]		[illegible]			[illegible]	[illegible]	[illegible]	[illegible]	100.00	200.00							25	2,500		[illegible]		(c) 10.00	
[illegible]	[illegible]	[illegible]	45.00	90.00	[illegible]	[illegible]	120.00	150.00	45.00	90.00			45.00	90.00			[illegible]	15,000	[illegible]			(c) 5.00	
[illegible] (a)	50.00	75.00	50.00	75.00	75.00	112.50	130.00 160.00 [illegible]	165.00 195.00 200.00	50.00	75.00	125.00	155.00	95.00	120.00	50.00	75.00	1005	100,250	10.00	10.00			
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	125.00 150.00	125.00 150.00									200	4,750	[illegible]	[illegible]			
[illegible] Sciences	90.00	130.00	90.00	130.00	100.00	140.00	175.00	350.00	90.00	130.00	175.00	250.00	90.00	130.00			957	26,690	10.00	[illegible]			
[illegible]	(h) 72.00	(h) 112.00					(i) 72.00	(i) 112.00	90.00	130.00					72.00	112.00	1003	54,600					
[illegible]	20.00	30.00			35.00	45.00	35.00 100.00	45.00 100.00	20.00	30.00			35.00	45.00					[illegible]	[illegible]	[illegible]		
Kentucky (a-b)	37.00	62.00			52.00	92.00			42.00	62.00 82.00					37.00	62.00	Service						
[illegible]	[illegible] [illegible]	[illegible] [illegible]																		[illegible]	[illegible]	[illegible]	
Michigan Men	85.00	110.00			110.00	130.00	180.00	260.00	100.00	125.00	180.00	260.00	100.00	125.00									
Michigan Women	80.00	105.00			105.00	125.00	175.00	255.00	95.00	120.00	175.00	255.00	75.00	120.00			Some		Res. 10.00 Res. 25.00	10.00	(g) 4.00	(g) 7.50	1st 1.00 (g) 4.00
Michigan Agricultural (a)	(j) 84.00 (k-l) 96.00	(j) 129.00 (k-l) 135.00							78.00	123.00					78.00	123.00			5.00	5.00	(g) 4.50	(c) 15.00	
[illegible]	[illegible]	[illegible]	90.	120.	90.00	120.00	180.00	210.00	90.00	120.00	180.00	210.00	90.00	120.00	60.00	90.00				[illegible]	[illegible]		[illegible]
Missouri	50.00	70.00	50.00	70.00	50.00	70.00	50.00	70.00	50.00	70.00					50.00	70.00	100	5,000	2.00	[illegible]			
Nebraska	(i) 1.00 (l) 2.00	(i) 1.00 (l) 2.00	(l) 2.00	(l) 2.00	(l) 3.00	(l) 3.00	(i) 2.00 165.00 160.00 150.00	(i) 2.00 165.00 160.00 150.00	(l) 2.00	(l) 2.00	150.00 170.00	150.00 170.00	(l)3.00	(l)3.00	10.00	10.00	Some		5.50	[illegible]			
North Dakota	25.00	25.00			50.00	50.00	50.00	50.00	25.00 35.00	25.00 35.00												5.00	
Ohio	45.00	150.00			60.00	165.00	150.00	255.00	45.00	150.00	150.00	255.00	45.00	150.00	45.00	150.00			10.00	[illegible]			5.00
Texas	30.00	30.00			20.00	20.00	45.00	150.00	30.00	30.00			40.00	150.00			15	1,500	15.00 15.00	[illegible]	2.00		
Utah (m)	38.00	63.00			98.00	123.00	113.00	138.00	38.00	63.00			88.00	113.00						[illegible]		(c) 11.50 (c) 12.25	
Utah Agricultural	28.00	53.00	28.00	53.00					28.00	53.00					28.00	53.00	10 per cent. Option	Entrance Fee		5.00	5.00	(c) 12.00	
Washington	45.00	150.00			75.00	150.00			45.00	150.00			45.00	150.00			Some			5.50	1.00		5.00
[illegible]	24.00	148.00			24.00	148.00	24.00	148.00	24.00	148.00					24.00	148.00					4.00		
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]			[illegible]	[illegible]					[illegible]	[illegible]	45	1,627	2.50			12.00	10.00

(a) Extra for music
(b) Extra for laboratory
(c) Covers all student activities
(d) Fellowships
(e) Cincinnati has an incidental fee of $30.00 for citizens and $40.00 for non-residents
(f) Medical school only
(g) Included in the regular tuition totals listed in the columns to the left
(h) Industrial science
(i) Veterinary medicine
(j) Home economics
(k) Special large diploma only
(l) Graduate school $20.00 and $60.00
(l) Per credit hour
(m) Additional incidental fee
(n) Student loan fee

CHANGES CONTEMPLATED FOR 1924-25

	Arts and Sciences		Commerce and Business Administration		Law		Medicine		Engineering		Dentistry		Pharmacy		Agriculture		Free Scholarships in Use		Matriculation	Diplomas	Health	Athletic	Other
	Res.	Non. Res.	Res.	Non Res.	Res.	Non Res.	Res.	Non Res.	Res.	Non Res.	Res.	Non Res.	Res.	Non Res.	Res.	Non Res.	No.	Amount					
[illegible]					[illegible]	[illegible]	[illegible]	[illegible]												[illegible] 10.00			
[illegible]							[illegible]	[illegible]										-	[illegible]				
[illegible]			[illegible] 90.00	[illegible] 165.00																			
[illegible]													[illegible]	[illegible]									
[illegible]																					[illegible]		

(a) Medical school only
Missouri—Fine Arts: Resident $50.00, non-resident $70.00. In addition to tuition charges, $40.00 to $100.00 a year, according to courses taken

O. H. SMITH,
Indiana University.

ADMINISTRATION OF TRUST FUNDS AND BEQUESTS TO UNIVERSITIES

May 16, 1924

M. E. McCaffrey

The remarks which I shall make regarding the administration of Trust Funds and Bequests will of necessity be based upon the experience at the University of Wisconsin.

The gifts to the University of Wisconsin prior to the past few years were comparatively small. No large gifts for buildings have been received. In 1878 Governor Washburn provided the money for the construction of the observatory and the purchase of the telescope. The recent donations are the Bradley Memorial Hospital by three donors, the Lincoln Statue by an individual, and the Hoard Statue by popular subscription. The University is now raising money by popular subscription for the construction of a Memorial Union Building to cost about a million and a quarter of which about three fourths has been subscribed. Apart from these the funds for the university buildings have been provided by the State. The Vilas will of which more will be said later provides for a theatre to cost $500,000. Building costs have increased materially since the death of Mr. Vilas in 1908 and this sum will not now be sufficient for a building of such size as he probably had in mind and I am not sure that the trustees of the Estate have authority to increase the amount.

Prior to 1905 the University of Wisconsin had eight Trust Funds ranging in amounts from $250 to $20,000

and amounting in total to approximately $65,000. The matter of investing these funds separately resulted in some of the smaller funds failing to produce a regular income each year and in 1905 the regents merged these funds into one account and passed the Trust Fund law which is recorded as Chapter V of the by-laws of the regents. This law was written by Ex- Regent Wm. F. Vilas who was intensely interested in the university, and left the residue of his estate amounting to approximately $2,000,000.00 to the university. The will provides first for the construction of a theatre to cost $500,000. Onehalf of the annual income is then to be added to the principal until the entire principal amounts to $20,000,000.00 and thereafter one quarter of the net annual income until the principal amounts to $30,000,000.00 at which sum the accumulation of capital shall cease.

The following provisions are made for Professorships, Fellowships, Scholarships, etc., all to be paid from the income of the estate:

A. Ten Undergraduate Scholarships at $400 per year.
   Ten Fellowships at $600 per year.
   or for a limited number of traveling fellowships at not to exceed $1500 per year.

B. Not to exceed one-tenth of one per cent of the capital may be used from the income in any one year for the encouragement of merit and talent, or to promote appreciation of and taste for the art of music.

C. Ten professorships of a special class to promote the advancement of knowledge,- each to be paid a salary of not less than $5,000 nor more than $10,000 per annum with a provision for retirement after fifteen years of service with a salary of $2,500 per annum.

D. Fifty more Undergraduate Scholarships at $300 to $400 per year.

Fifty more Fellowships at $500 to $600 per year.

One fifth of these scholarships and fellowships may be for negroes if such candidates present themselves.

E. Additional professors or instructional service, such as associate professors, instructors, or assistant additional scholarships, or fellowships, or for research.

When the principal of the Vilas Estate exceeds $5,000,000.00 the trustees may suspend the addition of one half of the net income to the capital as often as desired to provide for the construction of buildings.

The Tripp Estate amounting to more than $500,000.00 is administered jointly by the trustee and the regents, and the net income is added to the principal of the estate each year. There is an advantage in this arrangement inasmuch as all loans made by the trustee are approved by the regents and will be readily accepted when the estate is finally closed and the trustee released from further duty.

I am distributing copies of a detailed report on the University Trust Funds recently made to the regents and attached to this report is a copy of the Trust Fund law referred to and a copy of Section 210B Wisconsin Statutes defining what investments may be made from trust funds in Wisconsin. The university has its own form for application for farm loans and a separate form for appraisals. Real estate loans are limited to 50% of a conservative valuation of improved lands or improved urban property located in Wisconsin or adjoining States.

When applications for loans are received, the property is inspected and appraised by the Business Manager of the university and the Secretary of the Regents and usually one additional appraisor. These appraisals with recommendations are sent to the regent committee on trust funds consisting of three members of the Board of Regents, and their approval is received in writing. There is a general understanding that both the recommendations of appraisors and approval by the committee must be unanimous if the loan is to be made. The action of the committee is then confirmed by the board at its next meeting.

The application having been approved, the abstract is then posted to date and an opinion of title is furnished by the Attorney General of the state. When the papers are properly drawn and recorded, the application and appraisal, the note and mortgage, abstract, opinion of title and insurance policies with proper mortgage clause attached are filed with the State Treasurer and are protected under his bond. All payments of principal and interest on loans

are made to the State Treasurer, and the regents' office is promptly advised of such payments. A record of insurance is kept in the regents' office and carefully checked so that no lapses will occur and the properties mortgaged are checked each year to ascertain if the taxes have been paid.

For those who will not care to take time to read the trust fund law perhaps an explanation should be made of the method of distributing the income. On June 30, 1923 the university had twenty-nine trust funds aggregating $220,044.13. When the books are closed June 30, 1924 and the net income for the year is determined, the income account of each of the twenty-nine funds will be credited with that share of the total net income which the amount of the principal bears to the aggregate of the principal of all the trust funds at the beginning of the year.

No charge for salaries has been made for the administration of the trust funds and therefore, the interest return has been comparatively high,- the average rate for the past ten years was .059%.

Most of the loans are made for a term of five years, and many of them are extended for a longer time while some are permitted to pay without penalty within a short time after the loan is made.

A recent checking shows that the actual average term is a little less than five years.

THE UNIVERSITY OF WISCONSIN

Extract from By-Laws of the Regents, pp. 122-26,

Adopted June 1, 1905

CHAPTER V.

Trust Funds

Section 1. The State Treasurer shall open two special accounts of the University, the first of which shall be called "The University Trust Funds;" and the second, "The University Trust Funds Income." All moneys received on account of the principal of any Trust Fund shall be credited to the account designated "The University Trust Funds," and all moneys which shall be invested from or on account of the said funds, or otherwise lawfully disbursed from the principal thereof, shall be debited to the said account, so that the balance thereof on the books of the State Treasurer shall at all times disclose the actual cash on hand belonging to the principal of said funds. There shall henceforth be credited to the account designated "The University Trust Funds Income," as the same shall be received by the State Treasurer, all interest, dividends, or other income produced in any form by or from any securities or investments of the said "University Trust Funds." When loans or investments shall be made as hereinbefore provided, a certificate of the amount, and of the particulars thereof, shall be made by the Committee on Trust Funds to the Secretary of State, who shall issue his warrant on the State Treasurer therefor, mentioning

the same as a disbursement from "The University Trust Funds"; and there shall at the same time be delivered to the State Treasurer, for his custody as provided by law, all securities and papers relating thereto taken for such loan or investment. When any loan shall be paid, or the principal of any investment realized or reimbursed, in full, the State Treasurer shall at once certify the fact, with proper description of the security discharged, to the Secretary of the Board, who is authorized thereupon to execute on behalf of the Regents of the University any proper satisfaction, discharge, or acquitance which may be necessary to release any security upon the public records or otherwise; and to make any assignment, transfer, or reconveyance which shall be requisite or convenient for that purpose on the part of the Regents of the University of Wisconsin; and the Secretary is authorized thereafter to affix thereto, when necessary, the corporate seal of the University as the act of the Regents, and shall report thereupon immediately to the Chairman of the Committee on Trust Funds.

Whenever the Regents of the University shall receive by gift, bequest, or other donation any income producing fund they shall certify and pay over the amount thereof to the State Treasurer who shall credit the same to the principal of the account of "The University Trust Funds" and the same shall become a part of the principal of said account and all income derived therefrom shall be likewise credited to "The University Trust Funds Income;" and at the time of so certifying a duplicate thereof shall be sent to the Secretary of State,

in order that he may make the proper entries upon his accounts. At the same time the Secretary of the Board shall open proper accounts on the books of the University, as in cases before provided for.

At the close of the 30th day of June in each year, the State Treasurer shall make a statement showing the total amount received by him and credited to the account of "The University Trust Funds Income" during the fiscal year ending on that date, with the particulars thereof in respect to dates, amounts and respective securities or investments from which the same was derived, and shall transmit the same to the Secretary of the Regents; who shall thereupon make the proper entries as hereinafter directed. The State Treasurer shall likewise at the same time make a separate account showing the balance on hand at the beginning of the fiscal year in the account of "The University Trust Funds," the amount received during the year to the credit of such account and the amount debited thereto, with the particulars in either case of dates, amounts and the respective sources from which receipts were derived or the purposes for which disbursements were made; and shall also furnish at the same time a list of the securities and investments in his hands with the balance of the principal thereof remaining.

Section 2. The Secretary of the Board shall keep an account entitled "The State Treasurer's University Trust Funds," and an account entitled "The State Treasurer's University Trust Funds Income," both of which shall be cash

accounts showing the true state of the moneys remaining in the hands of the Treasurer on account of the Trust Funds and all the moneys received as income therefrom; and shall be entirely separate and apart from the general account of the State Treasurer with the University for receipts and disbursements on account of the University's general income. The Secretary of the Board shall also keep an account designated as "The Trust Funds Investments" to which shall be charged the principal sums invested on account of the loan of the trust funds, or other investments thereof, for income and to which shall be credited the payments received on account of the principal thereof from time to time. Whenever any sums which have been invested shall be repaid on account of principal, the amount thereof will be debited to the State Treasurer's "University Trust Funds" and credited to the account of "Trust Funds Investments," so specifying particulars that the latter account shall always show the several investments and the respective amounts of each thereof. Whenever receipts are made on account of the principal of any of the trust funds therein by realization of assets not previously entered in money account, or by further donations, the amount thereof shall be charged to "The State Treasurer's University Trust Funds" and credited to the proper trust fund account. Any disbursements or loss, on account of the principal of any of said trust funds shall be credited to the State Treasurer's account and debited to the proper trust fund. If such loss shall consist in the failure to collect any investment, the amount thereof shall be

apportioned to and debited to the several trust funds in accordance with the relation of the principal of each to the aggregate of the whole, as hereinafter provided for apportionment of income, except in such cases as the same shall be taken from the income and charged to "The University Trust Funds Income" by order of the Board.

Upon the receipt of the State Treasurer's statement made at the close of the 30th day of June, of each year, the Secretary sahll charge to "The State Treasurer's University Trust Funds Income" the net amount of annual income derived from all the investments of the trust funds, and shall at the same time apportion and credit to the several income accounts of the several trust funds such share of the total net income as the amount of principal of each of said trust funds, as shown by the balance thereof on the first of the fiscal year then closed, shall bear to the aggregate of the principal of all the trust funds on that date, due computation being entered on the journal. Payments made out of the income of the several funds shall then be debited to such respective fund income credited upon warrant drawn to the "State Treasurer's University Trust Funds Income," so that the balance standing to the debit of the latter account will always be equal to the aggregate of the balances standing to the credit of the several trust funds income accounts, and the balance standing to the debit of "The State Treasurer's University Trust Funds" and to the debit of "The State Treasurer's University Trust Funds Income" will always show the balance of moneys in his hands be-

longing to the University's Trust Funds, and the produce thereof, and thus be kept distinct and separate from the general accounts of the University.

Section 3. Payments from the income of each of the several trust funds mentioned in Section 1, except the Adams Fellowship Fund, shall be made annually in accordance with the law governing the respective fund as hereinafter provided; but no payment shall be made until the income shall have been realized and upon the statement of the State Treasurer, credited to the proper income account. Such part of the income derived on account of the Charles K. and Mary M. Adams Fellowship Fund, as required by the wills by which said fund was bequeathed, shall be immediately transferred to the capital of said fund, and for that purpose immediately upon the receipt thereof the proper amount shall be certified to the Secretary of State who shall draw his warrant for the transfer thereof from "The University Trust Funds Income Account " to "The University Trust Funds" and proper entries shall be made by the Secretary upon the accounts aforesaid on the books of the University to show the same by crediting the proportionate share of income accruing to that fund to the capital of said fund by debiting the "State Treasurer's University Trust Funds" with the amount thereof.

Section 4. All loans and investments of moneys belonging to the trust funds shall be made by the Committee on Trust Funds from time to time as moneys may be in the hands of the State Treasurer therefor, and the same shall be certified to the Secretary of State in the manner

required for the certification of accounts so that the proper warrant may be drawn therefor upon the Treasurer. For this purpose, the Committee on Trust Funds may make such certification at any convenient time and obtain the money when necessary and they shall promptly place in the custody of the State Treasurer all securities, abstracts and other papers received for every loan or investment. Every such transaction shall be entered in the recorded minutes of the Committee on Trust Funds, and reported at the next following meeting of the Board of Regents.

All mortgages taken to secure loans, and the transfer of all collateral securities for loans, shall be made to "The Regents of The University of Wisconsin." The Committee on Trust Funds is also authorized, at any time when in their discretion it shall be to the best interests of the trust funds, to sell to any purchaser, upon such terms as they shall deem fit, any properties, whether real estate or personal, belonging to any of the trust funds of the University; and also to sell any securities held by investments of the trust funds, or any part thereof; and also, to compound and settle any loans in which any of the trust funds are invested, or any debt due on account of the said trust funds; and in any and every such case, they may, by resolution entered on their minutes, require and authorize the President and Secretary of the Board to execute and deliver a proper conveyance, transfer, assignment, release, and satisfaction, or other instrument requisite to give full effect to their action.

Section 5. The provisions of this by-law re-

late only to the t

Mary M. Adams English #1
C.K. & M. M. Adams Fel. Fun
Wm. J. Bryan Prize Fund
Amelia E. H. Doyan
Henry Gund Scholarship Ger
Mortimer M. Jackson Law
John A. Johnson Stu. Aid F
Jas. T. Lewis Prize Fund
Fannie P. Lewis Sch. Fund
Latin League Fund
Milw. Gas Light Fund
Secretary's Loan Fund
Christian R. Stein Sch. F
Carl Schurz Memorial Fund
Adam Conrath Memorial Fun
Class of 1912 Loan Fund
Hollister Pharm. Fel. Fun
President Adams Fel. in C
Class of 1913 Loan Fund
President Adams Fel. in H
Wis. Pharm. Research Fund
Evan M. Evans Memorial Fu
Carl Jandorf Memorial Loa
Mary M. Adams English #2
Graduating Class Chimes
Mary J. Eichelberger Fun
The Jane Oakley Fund
Miller Memorial Beekeepi
Edna Kerngood Glicksman

	1905	1906	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916	1917	1918	1919	1920	1921	1922	1923	
Mary M. Adams English #1	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	Mary M. Adams English #1
C.K.& M. M. Adams Fel. Fund	21,056.49	24,000.68	23,879.95	24,133.25	24,400.71	23,143.91	30,794.25	22,660.98	24,852.75	26,627.47	33,656.04	30,536.42	30,536.42	34,718.54	26,321.25	28,129.52	29,729.64	21,560.32	23,586.71	C.K.& M.M. Adams Fel. Fund
Wm. J. Bryan Prize Fund	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	348.17	384.17	395.50	419.54	441.03	466.07	495.57	Wm. J. Bryan Prize Fund
Amelia B. H. Doyan	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	Amelia B. H. Doyan
Henry Gund Scholarship German		5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	Henry Gund Scholarship in German
Mortimer M. Jackson Law	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	Mortimer M. Jackson - Law
John A. Johnson Stu. Aid Fund	6,927.76	6,892.76	7,059.56	7,714.96	8,318.32	8,455.37	8,692.37	9,048.37	9,702.73	11,622.83	12,612.58	13,414.91	14,697.22	15,478.97	16,255.10	17,185.57	18,480.57	19,049.21	20,010.84	John A. Johnson Stu. Aid Fund
Jas. T. Lewis Prize Fund	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	588.22	588.22	594.86	606.66	614.06	625.19	641.25	Jas. T. Lewis Prize Fund
Fannie P. Lewis Sch. Fund			10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	Fannie P. Lewis Sch. Fund
Latin League Fund						230.50	674.93	2,500.00	2,685.00	2,774.00	2,988.53	3,111.57	3,163.81	3,428.83	3,471.86	3,546.91	3,549.22	3,599.24	3,738.10	Latin League Fund
Milw. Gas Light Fund		250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	349.40	365.04	384.07	405.81	431.49	Milw. Gas Light Fund
Secretary's Loan Fund			50.00	103.25	183.25	286.37	346.37	402.55	486.17	626.70	726.73	850.44	854.81	909.41	950.66	992.13	1,087.13	1,125.13	1,259.63	Secretary's Loan Fund
Christian R. Stein Sch. Fund	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	Christian R. Stein Sch. Fund
Carl Schurz Memorial Fund							30,735.47	32,906.88	32,906.88	32,911.88	32,911.88	32,911.88	36,934.76	36,934.76	37,015.56	39,509.66	39,679.66	41,679.22	41,849.22	Carl Schurz Memorial Fund
Adam Conrath Memorial Fund								75.00	75.00	79.24	83.66	88.17	93.05	98.21	103.46	109.60	115.24	121.77	129.48	Adam Conrath Memorial Fund
Class of 1912 Loan Fund									765.00	850.00	894.89	943.32	1,028.90	1,088.17	1,142.25	1,210.07	1,272.28	1,344.36	1,344.36	Class of 1912 Loan Fund
Hollister Pharm. Fel. Fund									5,000.00	5,000.00	5,000.00	5,000.00	10,323.06	10,328.06	10,328.06	10,328.06	10,328.06	10,328.06	10,328.06	Hollister Pharm. Fel. Fund
President Adams Fel. in Greek									10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	President Adams Fel in Greek
Class of 1913 Loan Fund										396.48	496.48	519.07	541.22	571.64	609.19	951.83	1,055.40	1,141.35	1,348.43	Class of 1913 Loan Fund
President Adams Fel. in History													10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	President Adams Fel. In History
Wis. Pharm. Research Fund													1,000.00	2,000.00	3,056.44	4,181.56	5,818.03	6,843.57	6,827.02	Wis. Pharm. Research Fund
Evan M. Evans Memorial Fund															2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	Evan M. Evans Memorial Fund
Carl Jandorf Memorial Loan Fund																115.08	115.08	121.93	129.63	Carl Jandorf Memorial Loan Fund
Mary M. Adams English #2																		10,000.00	10,000.00	Mary M. Adams English #2
Graduating Class Chimes Fund																		3,966.61	13,069.65	Graduating Class Chimes Fund
Mary J. Bichelberger Fund																		4,154.64	4,154.64	Mary J. Bichelberger Fund
The Jane Oakley Fund																			5,000.00	The Jane Oakley Fund
Miller Memorial Beekeeping Lib. Fd.																			1,700.00	Miller Memorial Beekeeping Lib. Fund
Edna Kerngood Glicksman Prize Fund																			1,000.00	Edna Kerngood Glicksman Prize Fund
	71,,[illegible]	72,800.44	83,389.51	83,881.46	84,803.28	90,006.15	123,143.39	123,493.78	138,373.53	142,788.60	146,270.79	149,236.79	163,314.73	167,767.98	173,586.59	180,651.23	185,369.22	205,331.48	220,044.13	

late only to the trust funds of the University created for production of income and not to gifts, in any form, where it is directed or in any way provided that the principal of the gift shall be expended or bestowed either during the current year or within any short period thereafter. All such gifts or donations in any form, the principal of which is to be expended shall be deposited with the current receipts and administered by the Committee on Trust Funds.

THE UNIVERSITY OF WISCONSIN

Extract from Wisconsin Statutes - 1921

Volume II, pp. 1738-39

Trust funds: investment; securities; bonds. Section 2100B.

1. Every executor, guardian, or trustee, except where it is otherwise expressly directed by the will or instrument of trust, if any, may invest trust funds in bonds of the United States, and also in the bonds of any state of the United States, except the states of Nevada and Wyoming, and except also the present territories of the United States (and such territories shall continue to be excepted after admission to statehood); in the bonds which are a direct obligation of any city, town, village, county, or school district in the state of Wisconsin, and also in the bonds which are a direct obligation of any city in any other of the states included herein, having a population of not less than twenty-five thousand and also in the bonds which are a direct obligation of any county in any other of the states included herein having a population of not less than thirty-five thousand, provided that such city or county shall not have defaulted in the payment of any of its bonded indebtedness during ten years immediately preceding such investment, and provided further that the existing indebtedness of any such city or county be restricted under the laws of the state wherein it may be situated, to a sum in the aggregate not exceeding five per centum on the value of the taxable property therein, to be ascertained by the last assessment for state and county taxes previous to

the incurring of such indebtedness; in the paid up stock of any building and loan association organized under the laws of this state; in the bonds of the federal or joint stock land banks authorized by the federal farm loan act approved July 17, 1916; in the mortgage bonds of any steam railway or railroad corporation in the United States owning and operating not less than five hundred miles of track, which has paid dividends upon its entire capital stock for ten years immediately preceding such investment; in first mortgage bonds of any public utility corporation as defined in section 1797m-1 of the statutes, or any street railway corporation, operating in cities in this state with a population of ten thousand or over, the gross earnings of which from operation of the property covered by the mortgage, for each of five fiscal years next preceding such investment, annually amount to at least six times the annual interest charges on all of its first mortgage indebtedness, and the net earnings of which from operation of the property covered by the mortgage, for each of five fiscal years next preceding such investment, above operating expenses including depreciation, maintenance and taxes, annually amount to not less than ten thousand dollars, and are at least two and one-half times the annual interest charges on all of its first mortgage indebtedness, provided that such mortgage on such public utility or street railway is a closed mortgage, and shall have been outstanding at least five years, and does not exceed in amount one-half of the value of the physical property covered by such mortgage, and provided further that

such public utility or street railways bonds shall mature not later than ten years from the date of investment of such trust funds therein under this section; in obligations on a parity therewith, by first real estate mortgages, or trust deeds, on improved farm property or improved urban property (other than public utility or street railway property except as herein provided) in this state and adjoining states, the amount of which mortgages, or trust deeds does not exceed one-half of the actual value of the property covered thereby; and in promissory notes, which are amply secured by pledge of any of the bonds, real estate mortgages or securities in which investment is hereinbefore authorized.

2. However, the proportion of any one trust fund that may be invested by an executor, guardian or trustee in notes, bonds or other securities in which investment is authorized by this section, the value of which is dependent upon the same persons, firms, associations of public or private corporations, shall be subject to limitations as follows:

(a) When the trust fund exceeds two thousand but does not exceed five thousand dollars, fifty per cent thereof, unless the investment is in obligations secured by a first real estate mortgage;

(b) When it exceeds five thousand but does not exceed twenty thousand dollars, forty per cent thereof,

(c) When it exceeds twenty thousand but does not exceed fifty thousand dollars, thirty per cent thereof;

(d) When it exceeds fifty thousand dollars, twenty per cent thereof.

3. Nothing herein contained shall be construed to affect the power or jurisdiction of any court of the state of Wisconsin in respect to trusts and trustees, nor to affect any powers or authority as to investments conferred by will or other instrument of trust.

4. Nothing in this act contained shall affect any investment made prior to the enactment hereof or affect any rights or interests established, accrued or created thereunder or affect any suit or action pending when this act becomes effective.

THE UNIVERSITY TRUST FUNDS

Of the University of Wisconsin

Madison, Wisconsin - April 15, 1924.

In June, 1905, the University Trust Funds were, by action of the regents, merged into one account. Instructions for the handling of these funds, including the accounting, may be found under Chapter 5 of the By-Laws of the Regents. (Copy attached). The main accounts are: The State Treasurer's University Trust Funds, The State Treasurer's University Trust Funds Income, The Trust Funds Investments, and an account for the Principal as well as one for the income of each fund, such as: James T. Lewis Prize Fund, and James T. Lewis Prize Fund Income. At the close of each year, June 30, the net income for the year is apportioned to the several income accounts as follows: each account is credited with that share of the total net income which the amount of principal of each trust fund (as shown by the balance thereof on the first of the fiscal year then closed) bears to the aggregate of the principal of all the trust funds on that date. In 1905 there were eight accounts in the University Trust Funds aggregating $64,634.25, and in 1923 there were twenty-nine accounts aggregating $220,044.13. The increase in the total includes the amount of the twenty-one funds received since 1905 and additions to many of the funds received by transfer from income to principal. A list of the twenty-nine Trust Funds with the amount of the principal in each fund on June

Mary M. Adams Graduate Fellowship in English Language and Literature No. 1, $10,000.00

(See C. K. and Mary M. Adams Fellowship Fund.)

C. K. Adams and Mary M. Adams Fellowship Fund

Ex-president C. K. Adams and his wife, Mary M. Adams, left their entire estate to the university. The real estate has all been sold, except a small piece of land (about five acres) in Maine, valued at from $3,000 to $5,000, held at an annual expense of about $50.00 for taxes. There are several estates being developed by wealthy men from New York, in the vicinity of this property, and it therefore seems desirable to hold it for the present. There are still some royalties on Adams' books, but the amount is reducing and amounted to less than $100.00 in 1923. These royalties are credited directly to the principal of the fund. The only other outstanding item of value is 1000 shares of stock in the Portland Gold Mining Company of Colorado Springs, Colorado, par value $1,000. This stock was considered valuable when received, but was not appraised and included in the trust fund account. The dividends were therefore credited directly to the principal of the fund as received and, since July 1, 1905, have amounted to $1,945.00, or about twice the par value of the stock. No dividends have been paid since 1921.

According to the terms of the will, fifteen fellowships are to be established in amounts of $10,000 each, the income to be used each year for the payment of the fellowship. The Mary M. Adams Graduate Fellowship in

in English Language and Literature #1 was established in 1905. The President Adams Graduate Fellowship in Greek Language and Literature #1 was established in 1912, the President Adams Graduate Fellowship in Modern History #1 was established in 1917, and the Mary M. Adams Graduate Fellowship in English Language and Literature #2 was established in 1922. The other fellowships are to be established in this order each time the fund increases $10,000, until there are five of each.

In 1908 the regents removed the bodies of Mr. and Mrs. Adams from Redlands, California, to Madison. A lot was purchased in the Madison cemetery and a suitable monument erected. The university has made a payment annually to the Madison Cemetery Association for the care of the lot and this year is making a deposit of $400 to provide for perpetual care.

Bryan Prize Fund

William Jennings Bryan, of Lincoln, Nebraska, on the 16th day of February, 1899, by letter, gave to the university two hundred and fifty dollars, "the same to be invested and the annual proceeds used for a prize for the best essay upon 'The Science of Government', with no other condition. No expenditure of income shall be anticipated; but the income when received shall be awarded upon the recommentation of the faculty. The income may be accumulated and a prize offered of such amount as the regents shall think fit from such accumulated income."

In 1917 the regents adopted a resolution which provides that the accrued interest in the prize funds be added to the principal and that the portion of income of prize funds not used in any year shall be added to the principal. The principal of this fund on June 30, 1923, was $495.57, and in the future it will be possible to pay an annual prize of $25.00.

Amelia E. H. Doyan Scholarships

The will of Mrs. Amelia E. H. Doyon, of Madison, provided for a gift to the university of $5,000 to be known as the Amelia E. H. Doyon Student Aid Fund. The income from this fund is divided into two equal parts, designated as the Amelia E. H. Doyon Scholarships, which are to be given to young women in attendance at the university, to be selected by the faculty. In making this selection the scholarship or standing of the persons selected and their need of financial help are both taken into consideration. Neither scholarship is to be bestowed on any young woman who has not been in attendance as a student at the University of Wisconsin for at least one year. The fund was established in 1896.

Henry Gund Scholarship in German Literature

In 1906, Henry Gund, of La Crosse, gave $5,000 in first mortgage bonds of the Northenn Hotel Company of La Crosse to endow a scholarship in German. A scholarship has been awarded each year since, and is paid from the income of the fund.

The Jackson Professorship of Law

Mortimer M. Jackson, of Mineral Point, and later of Madison, where he died on October 13, 1889, by his will left $20,000 to endow a professorship in law, with the provision that J. H. Carpenter, then dean of the law school, be selected by the regents as the first incumbent of said professorship. Judge Carpenter died October 1, 1913, and the Jackson Professorship of Law has been held since that time by Professor Howard L. Smith.

John A. Johnson Student Aid Fund

In a communication addressed to the President of the University, and dated February 12, 1876, John A. Johnson of Madison, Wisconsin, donated the sum of $5,000, one half to be paid on January 1, 1877, and one half January 1, 1878, as a perpetual fund, the annual income to be loaned to needy students at the University of Wisconsin who have attended the university at least one year; no student is to receive more than $50 in one year, and not more than $200 in the aggregate is to be loaned to any one student. The funds are loaned to both men and women students, upon the reccomendation of a Committee on Loans and Undergraduate Scholarships. Mr. Johnson requested that students, who may apply for such aid be impressed with the duty of paying back to the fund, as soon as they may be able to do so fairly and reasonably, the full amount they may have received from it; the money thus paid back to be added to, and treated as a part of the original fund.

The first loans to students were made in 1878. An account was opened with each borrower in the Johnson ledger, but no notes were taken until May, 1899. The collection of the accounts was neglected during the first twenty-five to thirty years of the existence of the fund, but was taken up vigorously in 1907, and the fund has shown a substantial increase each year since. Many of the old accounts, dating back to the seventies and eighties, were collected. When the trust funds were merged into one account in 1905, the principal of the John A. Johnson Student Aid Fund was $6,927.76, and the principal on July 1 of each year since was as follows:

1905 - $6,927.76	1915 - $12,612.58
1906 - 6,899.76	1916 - 13,414.91
1907 - 7,059.56	1917 - 14,587.12
1908 - 7,714.96	1918 - 15,478.97
1909 - 8,319.32	1919 - 16,255.10
1910 - 8,455.37	1920 - 17,185.57
1911 - 8,692.37	1921 - 18,480.57
1912 - 9,048.37	1922 - 19,049.21
1913 - 9,702.73	1923 - 20,010.84
1914 - 11,622.83	

These figures do not include the student notes held by the regents and amounting to about $3,300.00.

The James T. Lewis Prize Fund

James T. Lewis, of Columbus, formerly Governor of the state, gave, in February, 1865, a seven-thirty United States bond for $100, and in 1866, added a further gift of $100, to constitute a fund, the annual income of which should be expended for a medal to be given as a prize for superior scholarship. This was the first permanent endowment received by the university. Accumulation of unexpended interest, through failure to distribute prizes increased the principal to $300 in 1873, and the donor

assented to a change so that the annual income should be given as the "Lewis Prize" each year to the undergraduate student of the university who should produce the best written essay. The fund later increased through failure to give prizes, and in 1905 the principal of the fund was $400, and it was decided that the annual prize would be $25.00. In 1917, the regents adopted a resolution which provides that the accrued interest in the prize funds be added to the principal, and that the portion of income of prize funds not used in any year shall be added to the principal. The principal of this fund on June 30, 1923 was $641.25.

Fannie P. Lewis Scholarship Fund

By the will of Fannie P. Lewis, of Watertown, Wisconsin, $10,000 was left to be held in trust by the University Regents. The annual income from this fund is to be divided equally between two women students of the university, who shall be selected by the regents, on the recommendation of the faculty. In making these recommendations both scholarship and need of financial assistance are to be considered. The fund was established in 1906.

The Latin League of Wisconsin Colleges

In 1910 the instructors in latin in Beloit, Downer, Lawrence, Ripon, Milton, and Carroll Colleges organized an association known as The Latin League of Wisconsin Colleges, without capital stock, and without profit, whose aim is to promote a higher standard of excellence in the latin work. The Regents of the Univ-

versity of Wisconsin act as trustee of the Latin League Fund, and pay over annually upon order of the officers of the Latin League, the income of the fund, or transfer a portion of the income to the principal of the fund. The fund started in 1910 with $220.50, and increased to $3,738.10 on June 30, 1920. It is expected that the fund will increase to $5,000.

The Milwaukee Gas Light Fund

In 1903, the Milwaukee Gas Light Company established a book fund of $250, which was transferred to the University Trust Funds in February, 1906. The income was to be spent in the purchase of books dealing with the chemistry of coal tar and related subjects. Because of the war it was impossible to obtain books from Germany, where most of this literature has been produced; and therefore, for several years the income was transferred to the principal. The total principal on June 30, 1923, was $431.49. In the future, one half of the annual income is to be added to the principal, until the fund has reached the sum of $500.00.

The Secretary's Loan Fund

In 1900, the Secretary of the Regents of the University gave $500 to establish the Secretary's Loan Fund. Loans were made from the principal of the fund until 1907, when the fund was transferred to the trust funds, with instructions to loan from the income only. The fund at that time consisted of $50 in cash and $575 in notes,

or a total of $625.00. The loans are made by the secretary of the regents, and, when paid, the amount is credited to the principal of the fund. No student may receive more than $50 in one year from this fund, and the aggregate loans to any person shall not exceed $100. Small additions have been made to the fund from time to time in addition to payments from borrowers. The principal in the fund on July 1, each year, since it was transferred to the trust fund is as follows:

1907 - $ 50.00	1916 - $ 812.44
1908 - 103.25	1917 - 854.81
1909 - 183.25	1918 - 909.41
1910 - 286.37	1919 - 950.66
1911 - 346.37	1920 - 992.13
1912 - 402.55	1921 - 1,087.13
1913 - 486.17	1922 - 1,125.13
1914 - 626.70	1923 - 1,259.68
1915 - 726.73	

Christian R. Stein Student Aid Fund

By the will of Christian R. Stein, of Madison, a bequest of $1,000 was made to the university, the interest of which maintains a scholarship given by the faculty to a student of the university who has been in attendance at least one year. In making the selection, the scholarship of the person selected is to be considered, and his or her need of financial help; and in the event that any of Mr. Stein's relatives attend the university and apply for the scholarship in any year, it must be awarded to such a relative. The fund was established in 1900.

Carl Schurz Memorial Fund

In 1911 the Germans of the state turned over to the regents the sum of $30,570 to be held in trust for the establishment and maintenance in the university of a chair to be known as the Carl Schurz Memorial Professorship. It was expected that the fund would ultimately amount to $60,000. During the years in which appointments have not been made, the income has been transferred to the principal. In 1918-19 $4,000 of the income was invested in Liberty Bonds. The interest on these bonds is added to the principal each year. The fund amounted to $41,849.22 on June 30, 1923, or a total of $45,849.22 including the bonds.

Adam Conrath Memorial Fund

In 1911 the resident graduates of the Philadelphia College of Pharmacy presented $75.00, through Professor Edward Kremers, to establish the Adam Conrath Memorial Fund, the income to be added to the principal, together with such other sums as may be added to it from time to time, until the principal amounts to $250.00. The income is then to be used for the maintenance of a set of the American Journal of Pharmacy. The fund amounted to $129.48 on June 30, 1923.

The Class of 1912 Loan Fund

The Class of 1912 established a loan fund amounting to $850.00. In June, 1913, they decided to transfer the account to the University Trust Funds, and at that time turned over $765.00. The income was added to the principal for a period of ten years. Since 1923 the income has been loaned each year to deserving students, all

payments of notes and interest thereon to be added to the principal. On June 30, 1923, the fund amounted to $1,344.36.

Hollister Fellowship in Pharmacy

Mr. and Mrs. Albert H. Hollister, of Madison, by separate wills, conveyed to the Regents of the University legacies, now amounting to $10,328, for the establishment and maintenance of a fellowship in pharmacy. The annual income of this sum is allotted to a graduate student appointed upon recommendation of the department of pharmacy. The fund was established in 1913 by receipt of $5,000, and was increased to $10,328.06 in 1917.

President Adams Fellowship in Greek - #1, $10,000.00

(See C. K. and Mary M. Adams Fellowship Fund)

The Class of 1913 Loan Fund

The graduating Class of 1913 decided that each member of the class should take out a 20 payment life insurance policy for $100, in the State Life Insurance Fund. About 120 actually took out policies, and about 100 are now in force. Only one death has occurred. In June, 1913, the officers of the class turned over the proceeds of the class play and other funds amounting to $396.48. The interest has been added each year, and also the dividends on the insurance policies. The total principal on June 30, 1923, was $1,348.43. There is included in this amount a gift of $100 from Mrs. Amy Winship, who graduated with this class, and $100 received from the insurance department on account of the one deceased member. At the end of twenty years the amount of the

policies then in force will be paid over to the fund and the annual income will then be loaned to worthy and needy students. When student notes are paid, including interest, the amount is to be added to the principal.

President Adams Fellowship in History - #1, $10,000.00

(See C. K. and Mary M. Adams Fellowship Fund.)

The Wisconsin Pharmaceutical Research Fund

In June, 1917, Professor Edward Kremers presented a check for $1,000, received from the pharmaceutical alumni of the University of Wisconsin and other friends of the university, to establish The Wisconsin Pharmaceutical Research Fund. In June, 1918, Regent Horlick gave $1,000 in bonds to be added to the fund; and $1,000 was received from other sources during each of the years 1919, 1920, 1921, and 1922. The income each year is added to the principal, which amounted to $6,827.02 on June 30, 1923. Not more than one-half of the income is to be used in any one year. The balance of the income each year is to be added to the principal.

Evan W. Evans Memorial Fund

In January, 1919, Judge Evan W. Evans of Baraboo, Wisconsin, presented a check for $2,000 to establish the Evan W. Evans Memorial Fund as a memorial for his father. The annual income is to be used to further the interests and welfare of farmers in the vicinity of Spring Green, Wisconsin. Thus far the income has been used each year in payment to children from Spring Green of prizes and expenses in connection with exhibits at the Baby Beef

Show in Madison.

Carl Jandorf Memorial Loan Fund

In June, 1920, the Skull and Crescent Society presented a check for $115.08 left from the Carl Jandorf floral fund, which was collected from the students. The income is to be added to the principal each year for a period of ten years.

Mary M. Adams Graduate Fellowship in English Language and Literature - #2 $10,000.00

(See C. K. and Mary M. Adams Fellowship Fund)

Graduating Class Chimes Fund

The Graduating Class Chimes Fund was started by the Class of 1917 and each succeeding class has contributed to the fund. In 1922 the Regents placed the money in the University Trust Funds where it will remain until the chimes are purchased. The tentative plan is to provide for a carillon of not less than thirty-two bells and for housing them in the proposed new central portion of Bascom Hall. The fund amounted to $13,069.65 on June 30, 1923, and the class of 1924 has voted to contribute $3.00 per member which should amount to more than $3,000.00.

Mary J. Eichelberger Fund

The will of Mary J. Eichelberger of Horicon, Wisconsin, provided for a gift of $20,000 to the University of Wisconsin without instructions as to the disposition of the fund. During the year 1922, the regents received $4,154.64 in cash from the estate and 162 shares of the preferred capital stock of Deere and Company. The first $10,000.00 of the income has been pledged to the Memorial Union Building Fund.

The Jane Oakley Fund

In December, 1922, George Walter Oakley, Mary Oakley Hawley and Horace S. Oakley gave to the Regents of the University of Wisconsin the sum of $5,000 to establish a perpetual fund in honor of their mother to be known as the Jane Oakley Fund, the income to be used to pay the annual contribution of the University of Wisconsin to the American School of Classical Studies at Athens, Greece.

Miller Memorial Beekeeping Library Fund

In 1923, the beekeepers of the country decided to establish a library on apiculture in honor of Dr. C. C. Miller of Marengo, Illinois, world-famous beekeeper, who died in 1921. The committee in charge selected the Agricultural Library of the University of Wisconsin as custodian of the library and decided to raise a fund of $2,000 for maintenance. The principal of the fund on June 30, 1923 amounted to $1,700.00. $255.00 has been received since July 1, and with the interest earnings for the current year the full $2,000 will be in the fund when the books are closed June 30, 1924.

Edna Kerngood Glicksman Prize Fund

In June 1923, Assistant Dean Glicksman of the College of Letters and Science presented the regents with $1,000 to establish the Edna Kerngood Glicksman Prize Fund to perpetuate the memory and influence of his wife who died March 5, 1923. $50.00 of the income is to be used each year as a prize, to a woman, a member of the senior class, in resident attendance at the university; the recipient of the prize to be selected on the basis of intellectual

attainments, high womanhood and service in the college community.

Martha Gunhild Week Scholarship

The will of Martha Gunhild Week late of Stevens Point, Wisconsin, an alumnus of the University, provided for a gift of $5,000 to establish the Martha Gunhild Week Scholarship. Draft for this amount was received in November 1923. The net income is to be paid once annually to a woman student in the study of Chemistry in the university who shall be named and recommended to the regents each year by the faculty of the department of Chemistry in the University of Wisconsin.

William F. Vilas, an alumnus of the university and a former regent died August 27, 1908 and left his estate in such a manner that it will eventually come to the university, and is to be used for scholarships, fellowships, professorships, buildings, etc., as set forth in the will. The value of the estate as reported by the trustees on December 31, 1923 was $1,966,428.22.

J. S. Tripp, of Prairie du Sac, Wisconsin, died July 23, 1915 and left his entire estate, amounting to more than $400,000.00 to the university, to be used as the regents see fit. The securities are still in the hands of the trustee of the estate, where they will no doubt remain until the death of the one remaining beneficiary, when the estate will be turned over to the regents. The value of the estate as reported by the trustee on December 31, 1923 was $522,718.66.

The will of Calvin K. Jayne late of Madison, Wisconsin provides that after the death of his widow the residue of his estate is to be turned over to the university and except for one small annuity the income is to be used for a loan fund to be designated as the Cora I Jayne Agricultural Student Fund. In the event that the income is not required for loans, it may be used for scholarships. The amount of the estate after deducting the other bequests is $51,166.47.

The will of Annie G. Marston late of Madison, Wisconsin, and an alumnus of the university provides for the sum of $10,000 for a fellowship fund to be known as the Annie Gorham Fellowship, the income each year to be paid to students doing graduate work in the university.

The residue of the estate after deducting other bequests amounting to (estimated) $29,555 is bequeathed to the Regents of the University of Wisconsin to be perpetually held in trust, the income to be used for scholarships to be known as the Thomas J. Marston Scholarships to assist poor, worthy, competent students in pursuing their undergraduate studies in the university. It is suggested that rather than giving the money outright, it be loaned to students for a reasonable time on notes without interest and when repaid, the money be reloaned to other worthy students for a like purpose.

Torger Thompson of Deerfield, Wisconsin, died in November, 1923 leaving an estate valued at more than $330,000. The will provides for a number of bequests to religious and educational institutions after the death

of his wife including $10,000 to the Central Wisconsin Trust Company of Madison as trustee, the income to be paid annually to the Regents of the University of Wisconsin for research work in the department of Clinical Medicine under the direction of the physician in charge of the clinical department.

The residue of the estate estimated at $265,000 is to be paid to the Regents of the University upon the death of the wife of the testator, the income to be used for the salary of the professor filling the position to be known as the Thompson Chair of Scandinavian Languages of the University of Wisconsin, for fellowships and scholarships for Scandinavian students in actual attendance at the University of Wisconsin, and for the purchase of works relating to the Scandinavian languages and literature.

The will of Alice Pennoyer late of Kenosha, Wisconsin, provides for $5,000 to be held in trust by the Northwestern Loan and Trust Company of Kenosha. The income is to be paid to a brother during his lifetime and upon his death the income is to be used "in and about the education of young men in the University of Wisconsin, worthy of such assistance". The fund is to be known as the Edgar Pennoyer Scholarship Fund in memory of the father of the donor and so far as practicable is to be used in the education of those who are of kin to the donor.

A gift of $1,000 to the Bradley Memorial Hospital has recently been received from the estate of Miss Alice Lotz of Prairie du Sac, Wisconsin, to be used for the benefit of the crippled children at the hospital. This money is placed in the University Trust Funds at

present and the income allowed to accumulate until such time as the hospital authorities make special recommendation as to the use of the fund.

The procedure in making loans from the University Trust Funds is as follows: Applications are received by the Secretary of the Regents and inspections and appraisals are made by the Business Manager and the Secretary, and their recommendations in writing accompanied by other appraisals are sent to the Regent Committee on Trust Funds. For a number of years Regents Faast, Horlick, and Kohler have served on this committee and recently Regent Grady was appointed to succeed Regent Kohler. All of the University Trust Fund loans are subject to the provisions of section #2100B. Wisconsin Statutes. (Copy attached). The matter of title or legality in connection with these loans is always passed upon by the Attorney General. To date the University Trust Funds have suffered no losses either of principal or income. The administration of the Trust Funds is not charged with salaries or other overhead expenses except the immediate cost of inspections. The following is a statement of the net interest rate earned for the past ten years.

1914 - .0586	1919 - .0625
1915 - .0569	1920 - .0544
1916 - .0583	1921 - .0595
1917 - .0585	1922 - .0668
1918 - .0564	1923 - .0583

Average rate..059

The investments held in the University Trust Funds at present are as follows:

Bonds	$11,808.60	- 2 @ 4¼% - 1 @ 5% - 1 @ 6%
Wis. Farm Mortgages	76,746.25	- 5 @ 6% - 3 @ 6½% - 7 @ 7%
Minn. Farm Mortgages	8,000.00	- 2 @ 6%
Mortgages on Madison Business Property	71,000.00	- 2 @ 6% - 1 @ 6½% - 1 @ 7%
Mortgages on Madison Residence Property	55,500.00	- 4 @ 6% - 5 @ 6½%
Total	$223,054.85	

STATEMENT OF UNIVERSITY TRUST FUNDS

Including Additions Since July 1, 1923 and Estimates of Estates Still in Hands of Trustees

Principal of Univ. Trust Funds, June 30, 1923		$220,044.13
Received since June 30, 1923		
Martha G. Weeks Scholarship Fd.	$5,000.00	
Add'l payment from Mary J. Eichelberger Estate	600.00	
Additions to Sec'y Loan Fund	248.20	
Additions to John A. Johnson Fd.	688.36	
Additions to Grad. Class Chimes Fd. (Class 1923)	200.00	
Additions to Miller Memorial Bee-keeping Lib. Fund	225.00	
Additions to Class of 1912 Loan Fd.	35.65	
Additions to Carl Schurz Mem. Fund	85.00	
Additions to C. K. & M. M. Adams Fel.	89.24	7,171.45
Transfers from Income		
C. K. & M. M. Adams Fellowship Fund	1,258.35	
Milwaukee Gas Light Fund	23.68	
Adam Conrath Fund	7.11	
Class of 1913 Loan Fund	66.62	
Wis. Pharm. Research Fund $193.84 502.83	696.67	
Carl Jandorf Memorial Loan Fund	7.12	
Graduating Class Chimes Fund	581.69	
W. J. Bryan Prize Fund	27.20	
James T. Lewis Prize Fund	11.49	2,679.93
Investment from Income - Carl Schurz Fd.		4,000.00

Items not appraised			
Portland Gold Mining Stock			
Adams' Estate - 1000 shares	1,000.00		
4½acres, N.E. Harbor Maine,			
Adams' Estate	3,000		
Deere & Co. Stock - Eichelberger			
Estate, 162 shares @ 66½			
(3/28/24)	10,773.00	14,773.00	$248,668.51
Funds still in hands of Trustees			
Wm. F. Vilas Estate		1,966,428.22	
Stephens J. Tripp Estate		522,718.66	
Calvin K. Jayne Estate	52,566.47		
Individual Bequests	1,400.00	51,166.47	
Annie Marston Estate	57,855.00		
Individual Bequests	28,300.00		
Torger Thompson Estate	330,354.53		
Individual Bequests	65,000.00	265,354.53	
Alice Pennoyer Estate		5,000.00	
Items not appraised			
Calvin K. Jayne Estate,			
Canadian Land Contracts	10,480.00		
	11,600.00	22,080.00	2,862,302.88
			$ 3,110,971.39

AUDIT AND CONTROL OF FINANCES OF STUDENT ORGANIZATIONS

T. C. Carlson, Business Manager

University of Arkansas

The audit of student organization funds was started at the University of Arkansas three years ago. It came about as a result of a request signed by some thirty or forty representative students that some such faculty supervision be undertaken. This request grew out of several unpleasant experiences with irresponsible student financiers.

In order to evolve some method to follow in this audit, an investigation was made of practices in other schools, but it was soon found that very little had been done in this direction. Many schools had a perfunctory supervision but only three or four had developed a thorough-going audit, involving not only a close scrutiny of receipts and expenditures, but also advice and instruction to student treasurers in proper accounting methods.

It was found that Miami University had made splendid progress in this work. Many of the features that had been found successful there were transplanted allowing us to profit by their experience. In fact I feel that I am trespassing on Mr. Roudebush by undertaking to discuss the subject at all.

The demand for audit of the accounts of student organizations came from the student body through its advisory council. The need for such an audit was emphasized by the following conditions: Lack of systematic accounts on the part of student treasurers; no budgets or planning of expenses or means of raising income; constant changes

in the office of treasurer in the various organizations with consequent loss of continuity in the accounts; little or no publicity given to the organizations' transactions, as a result of which criticism was often directed at the person in charge with no way of determining whether it was merited or not. The student body as a whole knew very little of the financial transactions of such general activities as the Traveler, Razorback, Y. M. C. A., Y. W. C. A., A. B. C., and other organizations of interest to the whole student body. Not only is publicity of such accounts desirable as a means of securing complete and accurate reports but it is the right of the student body whose support maintains these activities to demand such publicity.

In the constitution adopted by the Associated Students in the spring of 1922 the office of Auditor of Student Organizations was continued and made a part of student government. The duties of this office were defined in Section 5, Article V as follows:

1. To require all general organizations, other than living groups to deposit their funds in the Student Organizations Fund;

2. To countersign all checks drawn by the treasurers and managers of such organizations and to keep proper records of same;

3. To require budgets from all class treasurers and such other general organizations, living groups excepted, as he may deem advisable;

4. To assist treasurers and managers in the preparation of such budgets based upon previous experience;

5. To check all expenditures against the budgets required to be submitted, and in the case of publications to see that all changes in the budget are authorized by the advisory board of that publication;

6. To consult managers and treasurers in regard to collections and to bring pressure to bear when necessary to speed up payments;

7. To make a thorough audit of all counts under his jurisdiction at the end of each year; and

8. To serve as a clearing house for information of common value to all managers and treasurers.

A summary of operations for the school year 1922-23 has been distributed giving a statement of receipts and expenditures for each organization included in the audit.

The accounts of the various organizations have been given all the publicity possible during the year by frequently posting reports on the official bulletin board, and by keeping the accounts open to any student or any member of any organization at any time.

We feel that the audit has accomplished the following results:

1. The treasurer of each general student organization has been required to submit a budget of receipts and expenditures and to plan his financial program accordingly. While such schedules have not always been strictly adhered to, it is thought that they have accomplished a good result in emphasizing the importance of the budget.

2. Student treasurers have been required to keep their accounts in better shape, using the necessary books, forms, receipts, etc., to make their accounts easily audited. Very few have had any previous experience in handling organization funds but for the most part they have accepted the opportunity to learn and have complied with the rules and suggestions of the auditor.

3. Student treasurers have been held to a proper accounting for funds handled by them, and all publicity possible has been given to their reports. This has resulted, in one case, in asking for resignation of a student handling financial affairs, but it is expected that after the first year or two the regulations governing student treasurers will be familiar to all, and such instances will not recur.

4. The Auditor of Student Organizations has endeavored to be of assistance to the student treasurers in enforcing the collection of bad checks and of other delinquent accounts due from students or student organizations. All checks returned by the bank have been handled by the Auditor. Collections have been made and, in addition to this, an attempt has been made to impress the individual student with the fact that the practice of issuing checks without sufficient funds in the bank to meet them is immoral and illegal. Troubles of this kind usually arise from carelessness in the keeping of stub balances, but in a small number of cases it has been found that

students regard this method as a convenient way of borrowing money. Such an attitude is, of course, fundamentally wrong and dishonest. It was found necessary in only two cases to bring pressure to beaf on the writers of checks. It is thought that the experience with these cases will serve to reduce the number of such checks in the future.

5. Reports from all student organizations, and other important facts concerning the finances of student activities, are kept on file in the office of the Auditor. In this way continuity of such records is assured and the experiences of one year can be used to advantage by treasurers in succeeding years.

6. The office of the Auditor of Student Organizations has been a sort of clearing house for information for student treasurers.

The expenses of the system for the year have been met from University funds. It is expected, however, that after the first year the interest derived from the fund will be sufficient to meet office expenses. It was possible to deposit a portion of the funds in a separate account so as to draw interest on it. As the fund grows it will be possible to draw a certain amount of interest on the daily balance. In this way it may not be necessary to charge the various organizations for the expenses of the audit.

Thirty-five accounts will be found in the summary in the report. This does not include all student organizations. A number of smaller accounts, which do not amount to more than $50.00 during the year, have not been included

unless at the request of the organization concerned. Furthermore, no living groups, such as fraternities and sororities, have been audited.

Fraternities have not been included, although possibly a number of them could profit greatly by some such audit. It has been thought better to give them the opportunity to see the advantages to be derived, first, then to encourage a request from them to be included.

The audit of student organization gives the Business Office an opportunity to be of service in an educational way in addition to its ordinary administrative functions. It is this feature that I desire to stress. If the process becomes mechanical and the students are made to feel that it is only an attempt to uncover their mistakes and short-comings, it has missed its chief aim. The main purpose should be to teach the student correct business practices. (This presupposes, of course, that the individual in charge of the audit should be something more than a clerk). If it is conducted with the idea of instruction uppermost, it will be gladly accepted by the students and will give the business office a point of contact that it does not now have.

AUDIT AND CONTROL OF FINANCES OF STUDENT ORGANIZATIONS

H. S. Ford, Bursar

Massachusetts Institute of Technology

1. Two kinds of Student Activities from financial viewpoint

   a. Those which the Institution directly fosters and actually supports

   b. Those which the Institution indirectly fosters (in some cases suffers) and usually offers a gentle sort of moral or other inactive support.

2. In Institutions where Student Government is encouraged. Both of these come within the scope of such government but there is naturally a different feeling on the part of the Institution regarding the degree of Audit and Control necessary.

3. In order to amplify this I am obliged to draw upon the experience of my own Institution where, by the way, Student Government is encouraged to the Nth degree and every inducement is given the under-graduates to conduct as far as is possible and consistent with their own activities.

4. Certain activities are maintained <u>in part</u> by a direct tax on each student totalling $9.00 per year. I say <u>in part</u> because practically none of these activities could stand on their own feet unless substantial assistance was furnished by the institution itself.

5. This $9.00 premium is apportioned to the maintenance of the

   a. Undergraduate Institution Committee- which adminis-

ters the inter-Student Sort

b. the Classes, representing class dues.

c. Athletics--and as the total allotment in this account is but$14,000, you will understand that a very considerable amount of assistance is necessary to enable such to be carried on-- we have no varsity football nor baseball--but we do carry on in practically all other sports including the operation of a varsity crew which has only last week demonstrated what can be done with a maximum of effort and a minimum of expense.

d. Medical service -- here again considerable aid

e. Membership in a Students Union and Club House altho we do not call it such.

f. The building up of a reserve and contingent fund for future social and recreative need that will be for the benefit of the whole student body.

6. The Institute collects this $9.00 tax from every student but the Institute expends very little of it and then only upon requisition of the Undergraduate Treasurer. This money is turned over in substantial sums each term to the Undergraduate Treasurer and he puts the fund to work.

But, before he can get a penny of it, an Undergraduate Budget Committee of which the Undergraduate Treasurer is chairman must submit a budget for the entire year showing the amount to be allotted to each committee, class, athletic team, or other activity which may participate. These individual budgets are in detail and require real constructive work on the part of the Undergraduate Bud-

get Committee.

They submit this budget in turn to a committee appointed by the President of the Institute consisting of an administrative officer and two alumni, one of whom has had some experience in athletics, both as a team member and a manager.

When the committee has approved the itemized budget submitted, the Undergraduate Treasurer may put in requisition for funds and get them without further ado!

This has been in operation 7 years and the interesting feature is that whereas it took the two committees over six hours at their joint meeting the first year to arrive at a satisfactory allotment, it took a little over an hour early last fall to do the same job, and this gain in time is entirely accounted for by the advance in office and other methods of succeeding Undergraduate Treasurers.

They have taken advantage of the opportunity available for applying their courses in Economics, Accounting, Office Management in a practical way and have thereby gained something more important to them than the temporary prestige among their fellows that goes with the direction of student activities.

And I dwell on this feature because in activities so administered the Control is applied at the start. It is a Preventive and not a corrective measure as a good doctor would say. And we want to remember along this line that the Control comes ahead of the Audit, both in time and importance, despite the alphabetical Audit and Control, as this subject

is listed in the program. The Audit may come after the cat is out of the bag--the Control aims to keep the bag--and the cat.

But the Control does not end at this early stage. In our Undergraduate Organization another functionary comes on the scene in the person of the Chairman of the Undergraduate Finance Committee. He and his committee have no interest in the budget until it reaches them--and it gets there on the same day in the early fall on which it receives full approval.

The Finance Committee job, and of course this means particularly the Chairman's job, is to maintain a running check on the income, disbursements and financial operations general of all activities that receive the official sanction of the Undergraduate Governing Committee.

He gets a report from the Treasurer of each activity by the 10th of each month, and if he doesn't get it he goes after it with a very potent club in his hand, namely the right to stop an activity of its representation and standing in Undergraduate Student Governments.

These reports are on special printed forms and are designed to give as true a picture financially of the operation to date and anticipated of each activity as is possible.

His committee is able to check the income, audit the expense vouchers, verify cash available and other assets and establish the committments for the next month.

If matters are going along to his satisfaction in an activity, there is no further attention on his part until

the following month. If, however, things are not going well, that is, as planned in the budget, his first step is to get in touch with the manager of that activity and help him rectify the trouble. If this cannot be done, or, as sometimes happens, the activity manager won't take either supervision or advice, his next step is to take the matter up with the Activities Alumni Advisory Committee. Each activity has one usually composed of men who live nearby and who have had active participation in the doings of the teacm or organization in previous years.

If this proves unsatisfactory the Finance Committee Chairman can bring matters to a head by putting a stop order on the funds of the activity, which for this type--that is the type of activity supported by the Institute--are held in one general account by the Undergraduate Treasurer and paid out only on receipt of properly executed vouchers of the managers of the activities interested.

As might be imagined this doesn't happen often. There is enough pressure ready for application to discourage even the most fat-headed activity manager from trying to kick over the traces and run Bolshevik.

This system virtually means a running audit of the details of the accounts appearing on the Undergraduate Treasurer's books during the year, so that the only outside audit used is to verify the general accounts of the latter for the year. This is done by an outside auditing agency and costs very little. The books are then ready

for the new incoming Undergraduate Treasurer and as the change occurs about this time (May 15), the new men have several months to acquaint themselves with the work of the past year and the prospects for the new.

The Other Activities may be variously classified but for our purposes we may limit the classification to

1. Those that interest a considerable number of the student body, and should therefor logically come under proper control and audit. For example,

The Publications

The Musical Clubs, Shows and Dramatics

Debating and Choral Societies, etc.

These have a definite work to carry on and usually are out to get the best material and methods possible.

2. Those that concern or interest a very limited number of the undergraduates, be that limitation social, geographic, academic, financial, fraternal--the last two sometimes go together--and the like.

For example, the so-called Professional Societies, Fraternities, Clubs and similar organizations. These are difficult to assist, assess or assail, owing to their own limitations, though I believe that very often, from a lack of mutual understanfing they are assailed to a much greater degree than is warranted.

But the Publications and other larger organizations that are continually appealing for particular talent from the whole undergraduate body, are more and more coming to realize that they may achieve greater success than a larger degree of publicity and confidence that is effected

by having suitable control and audit of their accounts and their operations.

Our own Publications, a tri-weekly newspaper, a rather technical undergraduate monthly and another monthly, usually referred to as comic, but frequently lacking adequate grounds as a basis for any such classification have voluntarily and with the approval of their Advisory Committees placed themselves under the same financial control and audit as the activities about which I have previously spoken, thereby accepting and at the same time greatly strengthening the cause of student government at our institution. The only exception in their case is that their Treasurers handle their own funds, both receipts and expenditures.

The Musical and Dramatic Organizations have followed suit--in fact all those which appeal to a large part of the undergraduate body and want a direct share in the established student government.

And while they submit their budgets and monthly financial reports, and keep their accounts in the same manner as those activities more directly controlled, and while the Undergraduate Finance Committee Chairman cannot actually hold up their funds as in the case of those others-their voluntary action has acted as a great stimulus for the lesser activities--both in itself and even more because they have already demonstrated the advantage of good organization, control, audit, office methods, etc., by the fact that each one of them has accumulated a substantial reserve fund to which additions are made each year.

And it is these reserve funds that offer the most effective check in case of mismanagement of or failure to conduct the organizations in the best interests of the whole student body because these reserve funds are actually controlled by their respective Alumni Advisory Committees. And, as might be imagined under such circumstances this is one of those cases where an "Advisory Committee" can give some advice and put some "kick" in it.

These organizations have the same running audit by months by the Undergraduate Finance Committee Chairman and a final audit by a C. P. A. for which they pay.

I have no light to throw on the Audit Control or operations of the many local and limited clubs, societies, clans and what not that light up, flicker a while--take no assistance, advice nor supervision and finally die out leaving a trail of irritated tradespeople waving a flock of unpaid bills.

In summary, it would appear, from our experience advisable to throw as much of the Audit and Control of Student Finances on the students themselves provided they have sufficient organization to carry it through.

The experience gained by the men in charge of the various activities through operations conducted on orderly and business like lines is distinctly a bit of their education, and in many cases has turned out to be of more than secondary importance.

THE AUDIT AND CONTROL OF THE FINANCES OF STUDENT ORGANIZATIONS

By D. H. Peak

University of Kentucky

The Audit and Control of the Finances of Student Organizations was suggested by me to Secretary Bates as a subject for discussion at this meeting. The subject suggested that information might be received rather than be imparted. Hence I have not attempted to prepare a paper. The University of Kentucky has been struggling for a few years with the Faculty Committee Plan referred to by Mr. Carlson as a flat failure. I am not ready to admit his statement although I am ready to agree with him that the plan has not been satisfactory. Failure no doubt, in most instances is due to inactivity of the Committee, or lack of means to enforce requirements. Fortunately, Kentucky has a very active Committee and it is not left without means of enforcement. By very strenuous efforts we have succeeded in getting more or less accurate reports and have been able to audit such reports with a fair degree of satisfaction. Annual reports have been published for two years and we think this has been the means of inspiration to the end of more careful accounting on the part of some organizations. After examining the system at Ohio State University and Ohio Wesleyan University, we find that we are headed the right way but that those institutions are a step in advance. Mr. Carlson's paper indicates that Arkansas is two steps in advance, and now I am wondering if a

third step would be too paternalistic; that is, the business office, through student organization auditor, receive all collections from the treasurer of the organization and pay the bills on his approval, the purchases having been made on orders from the business office and requisitions in conformity with budget requirements. Another question of interest to us is the requirements that should be made from fraternities, and the control of the funds of the Athletic Association is another problem.

The paper read by Mr. Carlson and that by Mr. Ford have been a decided help to me and I expect, by further study of these papers to be able to perfect the system at the University of Kentucky. The plan of Mass. Institute of Technology, as outlined by Mr. Ford is the ideal one and he seems to be able to control the situation to a most satisfactory degree. I am not convinced, however, that the plan is practicable in State Universities. I appreciate all the information received, and I am sure that Kentucky will profit thereby.

ACCOUNTING FOR JOB ORDER TRANSACTIONS

At

THE STATE UNIVERSITY OF IOWA

BY

W. H. Cobb, Auditor.

Accounting for job order transactions as covered in this discussion may be defined as that branch of institutional accounting which attempts to keep a clear and accurate record of the cost of special work done by the Building and Grounds Department for some other University Department and chargeable to some departmental budget. Since the State University of Iowa and the University of Illinois vary somewhat as to size and method of job order accounting, we hope to give you a different angle on the question as each method is explained.

At the State University of Iowa we were confronted with this situation: No encumbrance was placed against a department budget when the job was requisitioned and the department heads had no definite source from which to ascertain the cost of job work charged to their respective budgets by the Buildings and Grounds Department.

Accordingly a job cost system was installed which functions as follows:

I. Opening the Job Records

A Department Head, for instance, requisitions the Business Office for a set of built in book shelves. The requisition is forwarded to the Buildings and Grounds Department from which the job order is written in quadrupli-

cate and disposed of as follows:

A. Original filed in Buildings and Grounds office with the requisition or sent to the Department Head concerned.

B. Duplicate to foreman of carpenter shop with full directions as to work.

C. Triplicate to Auditor's Office which contains estimated cost of the job and is placed against the department as an encumbrance.

D. Quadriplicate given to cost clerk from which the job cost account is opened. Each set of job orders are numbered and the same number is carried through the accounts.

The cost clerk is employed in the Buildings and Grounds Department and keeps a double entry set of books which are controlled from the main accounting office.

II. Accounting for Labor and Material

The time tickets for labor on each job are submitted to the cost clerk, each ticket bearing the number of the particular job. The cost clerk posts from the time ticket charging each job for labor costs. At the end of the week the time tickets are made up into a payroll which is forwarded to the Auditor's Office for payment.

Invoices for materials are posted directly to the proper jobs and forwarded to the Auditor's Office for payment. Just before sending to the Auditor's Office, the cost clerk enters all payrolls and invoices in his journal in the proper columns which result in the following

debits and credits:

For Labor Payrolls

Debit - Jobs in Process - Labor

Credit - Auditor's Office

For Material

Debit - Jobs in Process Materials

Credit - Auditor's Office

For overhead expenses such as the bookkeeper's salary and office expense.

Debit - Job Overhead

Credit - Auditor's Office

It will be noted that the account "Auditor's Office" is used in place of a cash account.

III. Completion of the Job

When the work has been finished and the department has sent in its approval, the cost clerk proceeds to close the job.

Using the data on the job cost account, a job cost voucher is typed in triplicate and disposed of as follows:

A. Original to auditor's office for payment.

B. Duplicate to department head showing the details of the cost of the job.

C. The triplicate remains in the files of the cost clerk.

At the same time the job cost vouchers are sent out the cost clerk makes an entry in his Journal as follows:

Debits - Auditor's office (total cost of job)

Credits - Jobs in Process Labor - for labor cost

Credit - Jobs in Process Material - for material

Credit - Overhead for overhead expense.

At the end of the month the cost clerk totals the Journal and posts the footing of each column to the proper ledger account and takes a trial balance which will appear as follows:

Jobs in Process Labor - - - - -	xxx.xx	
Jobs in Process Material - - - -	xxx.xx	
Overhdad - - - - - - - - - - -	xxx.xx	
Auditor's Office - - - - - -		xxx.xx
	xxx.xx	xxx.xx

IV. Accounts in the Main Accounting Office

This completes the details of accounts in the job cost office. In the main accounting office one account is carried entitled "Job System." This account is financed with the rest of the University service enterprises under the revolving fund.

When payrolls and invoices are presented to this office for payment the following entry is made.

Debit - Job System - for all expenditure, labor and material.

Credit -cash

When the job cost voucher for the completed work is sent to the Auditor's Office, the voucher is checked with the original job order and the encumbrance cancelled. From the job cost voucher the entry is made:

Debit - Departmental Budget Account for cost of job.

Credit - "Job System."

These entries result in an overdraft in the Job System account which represents the amount of job uncompleted or in process.

The trial balance made by the cost clerk is submitted with his journal entries and a reconciliation is made between the accounts of the cost clerk and the "Job System" account in the auditor's office.

This procedure has been established to meet a particular situation, and will be expanded from time to time when necessary.

EXPLANATION OF HEADING FOR JOURNAL AS KEPT BY COST CLERK

(See paragraphs II and III.)

DEBIT SIDE:

Column 1 Date

Column 2 Description, Name, etc.

Column 3 Job Number

Column 4 Labor -- Jobs in Process

Column 5 Materials --- Jobs in Process

Column 6 Overhead

Column 7 Auditor's Office

CREDIT SIDE:

Column 1 Labor -- Jobs in Process

Column 2 Materials -- Jobs in Process

Column 3 Overhead

Column 4 Auditor's Office

Sixteen Column Ledger sheets, Folio Style 9¼" by 11 7/8" are used and may be secured from any Office Supply Company.

JOB COST ACCOUNTING

By

C. H. Pratt

University of Illinois

In discussing the topic just presented by Mr. Cobb, Job Cost Accounting, I may say that at the University of Illinois our procedure is much like that at Iowa, but carried a little further, covering what we call "standing" jobs -- jobs that are never finished, but run continuously, such as Building Repairs and Building Maintenance. A job cost record is kept for the operation of each building, which includes janitor's wages, janitor's supplies, heat, light, etc. A job cost record is also kept for the maintenance or repairing of each building.

There are two main purposes in keeping such records. First, these records, like any other expense records we have, are the basis on which next year's budget is built for the same work, just as the Dean of a college uses recent expense data to build next year's budget for his college. The second purpose of such records is to aid in finding instructional cost data, as we are attempting to do at the University of Illinois.

The question at once arises: Are the results worth their cost? But that same question arises concerning all work of record, and must be decided by each institution for its own needs. At Illinois we believe these records are well worth while. Building operation and repair costs are shown periodically to the Superin-

tendent of Buildings, and other cost data to those primarily interested.

We have also an appropriation for building maintenance, one for building operation, etc. All costs for repair jobs on all buildings are ultimately charged to the appropriation for building maintenance, just as the cost of any job (as outlined by Mr. Cobb) is charged to the proper appropriation account. Here let me repeat one of Mr. Cobb's statements: Any item of cost of any job is not considered as a budget expenditure until the cost of the job is finally charged to a budget appropriation account. For instance, when we buy some sweeping compound, or paint, and put into storage and later use it on some job, the cost thereof is not a budget expenditure until the cost of the job on which that material was used has been charged to a budget appropriation account.

NOTE: Later in the evening Mr. Smith, of Michigan, asked if anyone had any means of knowing anything about how university trucks were being used. Here Mr. Pratt pointed again to his standing jobs records: This time to the standing job for the operation of a certain auto truck. While the cost thereof funs evenly, the officer in charge of the fleet of trucks feels that their use is normal. But if the gasoline bill of one truck shows an uneven curve, his attention is attracted by the unusual cost for that truck. Although publication of such data at regular intervals is by no means a complete check on the use made of university trucks, still it does offer some control in that direction.

THE STORES DEPARTMENT IN RELATION TO UNIVERSITY SERVICE

By

F. X. Ritger, Purchasing Agent,

University of Wisconsin

I believe that every university or college has a Stores Department. Some perhaps more comprehensive than others, but nevertheless at least the nucleus of a Stores Department. In some institutions the Stores Department may handle only such items as janitor supplies and stationery. At any rate, the existence of a Stores Department is practically general among institutions here represented. This seems to indicate that the stores department is a necessity; that it is a necessary administrative function along with the other departments of service, such as the electricians, plumbers, carpenters, etc.

The stores department, whether so recognized or not, is, I believe, a service department. In other words, the primary object of a stores department is SERVICE. Service to the other service departments, and service to the institution as a whole.

There are, however, other reasons and arguments for the establishment of a stores department. There are, as I see it, possibly six points to be considered in the operation of a stores department, and each of these points lend an argument to the existence of a stores department. These six points are as follows:

1. Service
2. Standardization

3. Right Prices

4. Control

5. Accounting

6. Salvage

Taking these points in the order given, I will attempt to analyze each of them in more or less detail to show how the various points enter into the operation of a stores department and what they really mean.

1. Service

I have stated that I believe that the Stores department should be built up and operated around the idea of Service. Service to the other served departments and service to the university in general. How can this service be accomplished? Mainly through handling a well balanced comprehensive stock. The stores department, if properly managed, will become more and more an important factor in the service department. Continued study is necessary so that as conditions change, the institution grows, and new work is taken on, the stores will be in a position to take care of the requirements of the departments concerned. At Wisconsin, for instance, each year, just before the close of the fiscal year, the purchasing agent, store keeper, and superintendent of buildings, get together and discuss in a general way what work is to be done on the various buildings and the grounds and what materials will be required. If the materials to be used are generally carried in stock, we try to correlate our usual stock requirements with those of the Superintendent of Buildings and take necessary steps to have the material

available when required. The information obtained from such conferences, also conferences with the chiefs of the several service departments enables the purchasing agent and the store keeper to provide for the requirements in advance so that there will be no delay in getting on the job when the work is to be started.

New items must be continually added to the stock list, but only after a careful study. It is necessary to determine the quantity involved.

2. Standardization

A well balanced comprehensive stock is possible only by continued efforts in the direction of standardization. No doubt, all of you can realize the trials and tribulations which have to be endured in bringing about standardization. Even such a simple item as a lead pencil may cause a half hour telephone discussion, and in the end you have to win out. Standardization in stationary items and in a general line of supplies is not difficult, but it is quite a different matter when you get into the field of chemicals, apparatus, and chemical glassware. A few members of the faculty always insist that they can, in their particular work, use only the material or materials handled by a certain apparatus house, and that material of equal quality is not available from any other source and not acceptable from any other source. It requires patience and a certain amount of tact to put the standardization idea across to them. In order to do so you have to be right and have to show them that you are right. The stock you carry in your store must be of the quality required. If you want to enlarge the scope

of your stores department service you will have to give this standardization matter continued thought and attention.

The next point in our discussion is closely related to and depends largely upon standardization.

3. Right Prices (Quantity Purchase)

We have often been asked how much money does the stores department save the university. This is rather a difficult question to answer for the reason that it is hard to determine on what basis comparison should be made. If we base our comparisons on the assumption that we had no storessdepartment, and it would be necessary to place small individual orders to supply the material, the saving on retail prices would be anywhere from 50 to 100% depending upon the articles and the quantity involved. Without a stores department it is quite likely that each college or division would carry a small stock of the items which they require regularly. It is obvious that this sort of arrangement would not be economical or efficient. First of all, departments do not know their requirements, They do not keep the records of their requirements. They are mainly concerned with instructional work and should be relieved of all the purely administrative work possible. By combining the requirements better prices are obtained, fewer orders are issued and the whole matter simplified into two or three transactions. It costs just as much to handle a small order as it does a large one, and a lot of small orders would be a consequent result and an additional expense to say nothing of the better price obtained by quantity purchase. If there is a general demand, if the

demand is continuous, also if there is any advantage in carrying the item in stock; will we be able to get a better price by a quantity order, is the article perishable, etc. Sometimes we add an item to the stock list which under ordinary circumstances we would not add. This is done for the reason that we have found from experience that departments using the particular articles almost always forget to requisition for the material until they actually need it, and the result is that we have to place a hurry up order and purchase the material from local sources and at any price.

Departments very soon look to the stores department to render service and place more and more dependence upon the stores to supply their requirements. Such dependence must be adequately served. The success of the stores department depends upon such service. It goes without saying that a well balanced stock must be maintained, and we figure it a source of a great deal of satisfaction to operate long the line of service.

Service means a saving of time and money to the institution, as might be illustrated by the following:

The electrical department is called upon to make certain changes in wiring. The work order doesn't state exactly what is to be done; so the Chief either goes himself or sends one of his men to look over the job. He finds he needs a few feet of conduit, some wire, few sockets, etc. He comes back to get his tools and draws the necessary supplies from the store room. By the time he is ready to go back on the job, he will find his material ready for him,

or in some cases already delivered on the job. There is no time wasted or lost which might be the case if it were necessary to place an order through the Purchasing Department to obtain the materials. Furthermore, he pays less for his material at the store room.

The above illustration also applies to the plumbing department. It is a generally accepted fact that a plumber never takes his tools with him when he goes to look over a job, but when he comes back to get his tools he can take the material required for the job with him when he goes to the job with his tools.

Another example to indicate what we mean by service:-

A professor is planning his lecture for the following day and probably the last thing he does is to begin to collect the apparatus and materials required for the lecture. He discovers suddenly that he hasn't one of the items required. Probably it isn't an item usually carried in stock, but he turns to the stores department to help him out of the situation. The store keeper might have the item in stock, but if not, he calls the Purchasing Department where the records are consulted. Very often we find that we have ordered the item for some other department and the store keeper borrows a sufficient amount from the department to take care of the Professor's lecture requirement. When instances of this sort arise, we make a note of the item and begin to investigate with a view of adding the item to stock.

The foregoing illustrations are given merely to indicate what is meant by service. I repeat, my conviction is that the primary function of a stores department is SERVICE and unless SERVICE is rendered the stores department cannot hope to operate successfully to the fullest extent.

4. Control

Issues from the stores stock are made only on approved orders. Janitors' supplies are issued only on orders signed by the Chief janitor and approved by the Superintendent of Buildings. In this way it is possible through the agency of the stores for the Superintendent of Buildings to keep a check on the supplies called for by the janitors. Electrical supplies, such as wire sockets, etc., not specifically required for laboratory purposes are not available for general issue, being issued only to the Chief electrician and his force. In this way we are able to keep away from freak wiring, unauthorized connections which result in overloads on circuits and besides there is also the danger of fire and burns or injuries to employees. There are other materials which are not available for general distribution, such as paints and varnishes. These are issued only to the Chief painter and his force. Janitors and departments are not permitted to draw these materials. The reasons are obvious. Unusually large withdrawals by departments are questioned and investigated. Sometimes we find an error in the order, and excess stock in the hands of departments encourages waste, and furthermore, such withdrawals throw our stock out of balance. I have often thought if it would not be possible to work out some sort of an allowance

table for certain items of stationery, based on the size of the department, number of clerks, etc., but I can see plenty of difficulty ahead in attempting such a proposition and question whether the results obtained would justify any such attempt. We try as far as possible to regulate the demands on the store stock, not to such an extent as to handicap the departments, but to keep them from either enjoying a feast or suffering from a famine. We offer suggestions in regard to the quantities ordered, suggest substitutes, etc. There are large possibilities for exercising control as we mean it through the agency of the stores department.

5. Accounting

The stores department fits in very nicely with the budget system of administration. Particularly with reference to job cost accounting is this true. Some jobs may require materials which would have to be purchased from several sources, necessitating several sub orders, purchase orders, and consequent invoices and all the routine incident thereto. In a successfully operated storeroom most of the materials required by the various service departments are carried in stock and immediately available upon a single blanket order if desired. Furthermore, the chiefs of the various service departments having in their possession a stores price list covering the items which they generally require are in position to figure the cost of a job more closely. I will not discuss this point further for the reason that Mr. Humston will take up this

matter in detail.

6. Salvage

It occurred to us about two years ago that there was no doubt a lot of obsolete or nearly obsolete equipment and furniture stored about the various buildings. Some of it might merely need a little repair, but had been replaced with new equipment. The old equipment was stored away any place out of the way and forgotten. Quite a lot of this material was collected, taken to the stores department, repaired and made serviceable. Such equipment is held in stock in the stores department. The P. A. has a record of the items, and when a requirement arises the equipment is put back into service. The stores handles the transaction on a commission basis, and the department from whom the old equipment is taken receives credit. The Purchasing Department places a value on the equipment. We also found that departments fail to report empty carboys, drums, etc. which are returnable for credit, and very often use the container for some other purpose. As far as possible all commodities usually shipped in returnable packages are carried in the stores department where a careful record is kept of containers of this sort and return assured. Truck drivers are instructed not to transport a carbou, drum, or cylinder without having specific instructions. Scrap brass, etc., is turned in to the stores department and finally used for castings.

In closing I wish to repeat again that we feel that the stores department should rightfully be con-

sidered a service department, and that the primary object of the stores as well as any other service or administrative department is service. Since this is an educational institution our objective must always be to render a service which will make the educational work more effective.

THE DEPARTMENT STORES AND SUPPLIES AT STATE UNIVERSITY OF IOWA

By

F. E. Humeston, Purchasing Agent.

The purpose of this department, is maintained and is being developed as rapidly as possible in order to centralize the buying, storing and issuing of all consumable supplies.

This department maintains a stock of over $60,000 which is turned seven times a year or a complete turn-over every fifty days.

This stock consists of the following classes: Groceries, Meat, Hardware, Print Papers, Paints and Oils and, Stationery, Hospital, Janitor's, Laundry and Office Supplies.

No item is carried in stock unless there is a demand for same.

This plan centralizes purchases, enables us to give better service, standardizes grades and quality, eliminates duplicated stocks and gives us greater purchasing power as to quantities. It also places us in a position to render all information and data the Purchasing and Auditing departments may desire.

Claims are more readily adjusted and all weights and grades are verified.

This plan makes it necessary to carry an inventory record of over 9000 items.

This record we will take up later as we wish to mention method of invoicing and accounting as to issues from this department.

All orders are received either by requisition or phone and all phone orders are followed by requisition varifying same.

Orders received are classified by "Billing Clerk" in order to facilitate posting on stock record. As an example groceries are billed under the grocery class.

This billing is made in triplicate form of three different colors, an office, department and warehouse copy. The office copy for our files, department copy accompanies delivery, and the warehouse copy is sent to the warehouse man to assemble, and direct deliveries and file for record.

A statement is issued once a month and with some departments weekly.

This statement is made out in triplicate form also of three colors, consisting of the original for accounting department, duplicate copy for the department, the triplicate for our own office files. These statements provide for a record of the original invoice number, credits and debits. The statement is passed to the accounting department between the 20th, and 25th, of each month. We have samples of these various forms and those interested and desiring, may have same.

Referring to the stock record, which is perpetual, we have tried various systems and at present have installed a loose-leaf system similar to ledgers used by banks. All posting is done on a Burroughs Posting Machine, with exception

as to other records which are entered by typewriter.

This record is equipped with what is called a "Rapid-fire"Index". We have special forms for stock record, which gives size, unit, location, maximum and minimum quantities of article carried in stock. The inventory record gives proof or amount on hand date and number or amount isssued and received also the department to whom issued, which is designated by a number.

On reverse side of this form is a record as to what firm article was purchased, having record as to amount, price and all charges covering cost of article, also price at which article is issued.

This system has not been in force for a year, but after the first year it will give us a complete record and information concerning all items handled especially as to minimum and maximum amounts to be carried in stock, price, grades and departments useing greatest amounts.

With this system it is necessary with present amount of stock and classification to maintain ten "Binders" or books of which Hardware takes 5 and Groceries, Paints and Oils, Paper and Envelopes, Hospital, Janitor and Stationery Supplies one each.

The method of posting is as follows; Stock clerk sorts invoices as to classification and files same in binder under article index and classification covered by first item and following items are posted in order.

If invoice has entries of one or more classifications the first item is posted and checked as posted and then re-filed in next classification.

We have assembled a sample of this system, illustrating the various indexes and specimens of entries which we will be glad to explain in detail.

This system covering ten binders and indexes for same and ten ledger leaves cost $182.00 plus price of Posting Machine.

We did not take into consideration the saving of an employee time, but the accuracy and the detailed information desired.

THE PURCHASING OFFICE
AND IT'S SERVICE TO THE UNIVERSITY

By

L. F. Seaton

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In discussing Mr. Dinsmore's remarks on the Purchasing Office and it's service to the University it seems to me the service offered depends upon the general policies or the relations of the various departments to that of the purchasing office. For instance, at one university, I am told, no department is compelled to purchase through the purchasing department if they choose to do their own buying. If this were the case in Nebraska, I am quite sure the purchasing department would soon go into the hands of the receiver.

It might be interesting to give a little history of the organization for the past ten years at Nebraska, during which time the purchasing department has gone through the complete cycle from a mere order department where a record was made of purchases if the person who made the purchase did not forget to notify the so-called purchasing agent. This title may as well have been given him in order that he might have a classification in Rotary or any other civic club as for any reason.

Since the writer was a member of the faculty at that time he knows what service was offered by this department. The person in charge of the office was a very congenial fellow and would do anything asked of him. He

would write purchase orders on any concern for the use of faculty members themselves. This worked out all right for a while until the merchants got together and decided they wanted retail prices from the University faculty and would not do business this way any longer. The purchasing agent was then considered a mean fellow when this arrangement was discontinued.

There was no Stores Department, which made if necessary to run down town for each and every small purchase of common material. Usually a ten per cent reduction was made to the University in purchases of this kind. This condition went on making slight improvements occasionally, such as putting in a small stock of pencils, pens, and etc.

Three years ago the Chancellor and Board of Regents decided to have Mr. Lloyd Morey come out and make a study of the business organization and make recommendation for improvement. This was done and the report which he made was adopted as near as was possible with the result that we now have an organization which we believe is in keeping with that of any of the larger schools.

So far as service is concerned there is no doubt but that it is far better than ever before, although there are still members of the faculty who insist that they could do much better work if they could use Carter's ink instead of Diamond's which is carried in stock and can be bought in quantities at 50 and 10 off, instead of the one 10 which they formerly got when making small purchases. A joke was recently played on one member of a department by

exchanging a bottle of ink for her by removing the ink from a Diamond bottle and placing it in one with a Carter's label which made it work perfectly.

The one thing which is absolutely necessary in establishing an efficient organization is the support of those higher up. Had the Chancellor and Members of the Board of Regents listened to the many grievances told by faculty members who protested against the new organization saying in one or two cases that they had heard faculty members from Illinois say they could not get anything done because of the red tape, etc., which Mr. Morey was burdening them with at Illinois, and they hoped Nebraska would never be hampered in such a way. So far as I know, none of them ever got any sympathy and the new organization went on. To day I am glad to say it is a different story. It was only last week that one of the biggest kickers on centralized organization plan, told me that in the twenty-five years he had been in the University he never knew of a time when the machinery was so well lubricated as at present.

From a service stand point it happens that at Nebraska all service departments are handled through the purchasing office, this came about due to the fact that the operating superintendent and purchasing agent is the same person .

From the chart it will be seen that almost any service can be rendered to a department under the direct supervision of the purchasing office.

The fact that the Agricultural College is three

miles from the main campus makes real service more difficult. There is, however, a branch store located there which materially aids. Regular truck trips are made between the two places. Persons at the Agricultural College can phone in t their requisitions and usually have service within a few hours on most items.

A ruling made about a year ago allowing faculty members to purchase material carried in Stores at the same cost as that made to departments had a very soothing effect towards the purchasing Department.

At the present time no faculty member tries to make a down town purchase and charge it to the University. In the first place he knows the downtown dealers will not deliver and he also knows that several faculty members have had to pay personally for items they have gotten in this way.

It is the policy of our department to give the best service possible which can be given efficiently. No attempt is made to send a truck down town to get an item as an emergency when the persons demanding the material knew the week before it was needed, as a result there is very little call for such service.

Another service offered is that of taking in obsolete equipment from departments, allowing them credit, on material needed. We find that this greatly encourages the releasing of desks, files, and etc. which can be used by other departments. In a few cases where department heads hoard up equipment and have very little use for it, it is taken from them and placed elsewhere. At present itiis be-

coming pretty generally known that all equipment belongs to the University and not to departments, especially if they have no use for it.

The routine through which a department passes in making any kind of a request is the issuing of a common purchase requisition. This is handled in the purchasing department by the issuing of either a purchase, stores, or job order. A follow-up is then placed on the order which usually insures prompt service.

A service which has been established within the last year and giving satisfaction is that of having each janitor in a building gather up the inter-departmental mail and take it to a central distributing box which is located in the same building as the time clocks. The mail is distributed at the noon hour and in the evening so that the janitors can take the mail back to their buildings early in the morning and immediately after the noon hour. This greatly facilitates matters in all the business offices since, forms being sent, move twice each day.

After all, it seems to me that the service a purchasing department can give to departments of the University depends upon the amount of money it is thought advisable to spend for this purpose. It is possible to carry service beyond good business policies, which can be oviated by educating the persons concerned to anticipate their needs further in advance. On the other hand we must not lose sight of the fact that the institution is primarily one for educational purposes and we should not hamper the faculty too much with any hard boiled policies.

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